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COMPRISING THE PERIOD FROM THE THIRD DAY OF DECEMBER, 1962,
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ROGER DUHAMEL, M.S.R.C.
IMPRIMEUR DE LA REINE ET CONTRÔLEUR DE LA PAPETERIE
OTTAWA, 1963

27507-3—141½

HOUSE OF COMMONS

Monday, December 3, 1962

The house met at 2.30 p.m.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF FOREIGN MINISTER OF GABON

Mr. Speaker: Before commencing the proceedings of this afternoon I would wish to seek the indulgence of the house to draw to the attention of hon. members the presence in the gallery of a distinguished visitor in the person of Hon. Jean-Hilaire Aubame, the Foreign Minister for the Republic of Gabon. Our distinguished visitor is here today in the course of an informal visit to Ottawa. It is his first visit here. We know that Gabon has existed as an independent republic since August of 1960. However, he is in this country on business and has paid us the courtesy of a visit. I am sure that all hon. members will wish to express through me the hope that he will not long tarry before making a return and official visit to this country.

(Translation):

I wish to draw to the attention of hon. members the presence, in the Speaker's gallery, of His Excellency the Minister of Foreign Affairs for the Republic of Gabon, Mr. Jean Hilaire Aubame.

Mr. Aubame's visit here is quite informal. As a matter of fact, he is on a state visit in New York, but the president of the republic wanted him to come to Canada.

I am sure of speaking for all hon. members when I extend to him the most cordial welcome and most sincere good wishes, not only for himself but also for the people of his country.

I hope that we will see him again in Canada. He told me a few minutes ago that he was hoping to come back on an official visit before too long.

Once again we offer him our best wishes.

(Text):

PRIVILEGE

MR. PEARSON—REFERENCE TO SPEECH BY MINISTER OF AGRICULTURE

Hon. L. B. Pearson (Leader of the Opposition): I rise on a question of privilege arising out of a statement made today in Calgary by the Minister of Agriculture. I regret doing this in the absence of the hon. gentleman, but I should make my statement at the first available opportunity, which is now, particularly in view of the fact that the minister's office saw fit to issue the text of his statement for release at 12 noon today.

My question of privilege arises out of the following sentence in his speech, and I quote from the text released. The minister said:

> I said it in Regina, and I repeat it here today, the members of the Liberal and New Democratic parties are opposed to the China wheat sales. As recently as Friday, November 23, we had the leaders of those two parties putting their official stands on the House of Commons records.

That statement, made by the Minister of Agriculture, is a false statement, and the evidence put forward by the minister to support it does exactly the opposite, because in the debate on November 14—and this was confirmed by me on November 23—I made the following statement about our attitude toward these agreements. I said at that time, as reported on page 1633—and I was repeating a statement I had made over a year ago:

> With this cautionary qualification regarding trade with communist countries like China—
>
> Trade in non-strategic goods.
>
> I repeat that we most certainly do need all the expansion of trade we can possibly get, and where we can get it.

I went on to express the approval of this party and myself of the China wheat agreement in those terms, and again on November 23. Therefore, the minister's statement is not only a false statement but it was made after evidence had been brought into this house which gave him information which proved exactly the contrary to his statement. For this reason, it must have also been made with deliberation.

MR. PETERS—REFERENCE TO SPEECH BY MINISTER OF AGRICULTURE

Mr. Arnold Peters (Timiskaming): I, too, intended to rise on a question of privilege similar to that raised by the leader of the official opposition. I think our position in this matter is even clearer than that of the other parties in the house. I believe the misrepresentation contained in the minister's statement must be the basis of an apology by the minister to the house and to the country for the inconvenience he has caused and the erroneous opinion he has expressed.

The date November 23 has been mentioned. If Your Honour would check the record you

would find on page 1956 of *Hansard* a statement by the hon. member for Burnaby-Coquitlam (Mr. Douglas) in which my hon. friend mentions some of the other countries which are involved and says we are not doing enough to further the China wheat agreement, that more could be done. Thus the statement which was made by the minister and repeated in the press release is completely erroneous, and I think an apology is due to the house and to the hon. members affected.

Mr. Speaker: Order. While I am satisfied that the leader of the official opposition in his quality as the leader of a party, and as one whose statements were taken in issue, is in a position to offer an explanation of his own attitude and to make a refutation of the minister's remarks, I would have preferred the hon. member for Burnaby-Coquitlam, who was the one whose position might have been taken improperly, to have been here to make his own statement. I think it is not in order on a question of privilege merely to assert a contrary party position.

As to what the hon. member for Timiskaming has said with regard to the attitude taken by the minister, it is my understanding that there is continuing debate on the first item of the minister's estimates and hon. members can, if they wish, engage in a controversy or a dispute at that time. The matter certainly does not arise on a question of privilege, with the exception of the position taken by the Leader of the Opposition whose personal words are at issue.

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to draw this to your attention. The press statement from the minister's office says:

> The members of the Liberal and the New Democratic parties are opposed to the China wheat sales.

When the minister says that, he is involving all of us, not only the member for Burnaby-Coquitlam, and this is the attitude of this party. I think the malicious and erroneous statement should be apologized for.

Mr. Speaker: Order. We will not engage in any more controversy about it. I think my remarks in general stand. I have noted what the hon. member for Skeena has said, but I think it could also be said that anyone belonging to the New Democratic party in or out of the house could take the same attitude. The question of privilege is limited, as I indicated.

MISCELLANEOUS PRIVATE BILLS

Second report of standing committee on miscellaneous private bills—Mr. Mandziuk.

[Mr. Peters.]

EXTERNAL AFFAIRS

O.E.C.D.—REPORT ON ANNUAL MEETING OF MINISTERIAL COUNCIL

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, if it is not considered an indiscretion for a member of the house to say that he has just returned from Paris, I should like to report to the house on the annual meeting of the organization for economic co-operation and development.

As hon. members are aware, the second annual meeting of ministers of the 20 member countries of the O.E.C.D. was held in Paris on November 27 and 28. I now wish to report to the house concerning the results of this very successful and interesting meeting. The agenda for the meeting contained items relating to the three main aims of the organization, namely the achievement of maximum economic growth and employment with due regard to financial stability, the promotion of economic expansion in the less developed countries, and the expansion of world trade on a multilateral, non-discriminatory basis.

In an exchange of views concerning economic policy, ministers reviewed the current situation in member countries and the progress made in the past year toward the collective growth target defined in November, 1961. Hon. members will recall that on that occasion the O.E.C.D. ministers agreed to set as a collective target the attainment during the decade 1960 to 1970 of a growth of 50 per cent in real gross national product of the 20 member countries in aggregate.

In examining the economic outlook at the present time the council noted that in the United States there is unemployed labour and unutilized capacity and a clear need for action to stimulate demand. European production continues to grow, although at a less rapid rate than before. It is intended to keep the situation under review, and ministers agreed that should any measures be required to stimulate expansion in member countries, it would be important to act quickly and in concert. A significant conclusion of the discussion was that the competitive positions of Canada, the United Kingdom and the United States have improved. This is expected to contribute to a better balance in international payments.

The council decided to publish two important although preliminary studies. One of these relates to the growth target adopted last year. It analyses growth experience of the various member countries over the past decade and looks ahead to the possible direction and structure of growth in some of the leading member countries. The second study reviews the experience and experiments of

member countries in maintaining reasonable stability of costs and prices. In stating the views of the Canadian government during the discussion I emphasized the importance Canada attaches to the highly successful exchange of views on economic policy within the organization. I believe it is no exaggeration to say that these consultations on economic policy lie at the very heart of the organization. It is of real significance to Canada to be able to contact, through the O.E.C.D., the senior representatives of our major trading partners responsible for the formation of economic policy.

I also indicated the interest of the government in the work of the organization over the past year in examining the policies and problems of economic growth and in analysing the means of achieving stability of costs and prices. With respect to the latter subject I reminded the council that the Canadian government has laid strong emphasis on the improvement of productivity and economic efficiency, that it has established the national productivity council and that it has introduced recently in this house a measure to establish a national economic development board.

With respect to trade, ministers addressed themselves to the important question of co-ordinating trade and aid policies adopted by member countries in their relations with the less developed nations of the world. In a resolution approved last week members of the organization agreed to "seek to formulate concerted policies which are designed to further the economic development of the less developed countries and which take full account of the interdependence between trade and aid". It is clear that most countries would prefer to live by trade rather than aid, and that the industrialized nations can help the less developed areas by providing reasonable access to markets for their products as well as by means of international assistance.

The ministerial council also reviewed the activities of the organization during the past year in the field of development assistance, noting with satisfaction the conclusions of the first annual review of the aid policies of the members of the development assistance committee. Ministers recalled the decision taken recently to establish a development centre in the context of the O.E.C.D. and recognized the need for concerted action to increase both the quantity and the quality of aid to developing countries. For this part of the meeting, in view of Japan's membership in the development assistance committee, the Japanese minister of state, Hon. Kiichi Miyazawa, was in attendance.

Ministers discussed the role of the O.E.C.D. in the co-ordination of scientific programs in member countries. They agreed to convene a special meeting of ministers in 1963 to stimulate co-operation in this important area.

The ministers of agriculture of the 20 member countries met on November 19 and 20 in Paris. The ministerial council of the organization noted the results of the agriculture ministers' discussions and agreed that their work will strengthen co-operation through the O.E.C.D. in the fields of agricultural policy, international agricultural trade and food aid to the less developed countries.

The ministers were happy to welcome to the meeting senior representatives of a number of other international organizations whose work lies in fields related to that of the O.E.C.D. Statements were heard from Mr. Per Jacobsson, managing director of the international monetary fund; Mr. Rey, a member of the commission of the European economic community; Mr. Wyndham White, executive secretary of the general agreement on tariffs and trade, and Mr. Wehrer, a member of the high authority of the European coal and steel community.

A communique was issued at the conclusion of the two day session and, as chairman of the council, I also made a statement to representatives of the international press in Paris. With the permission of the house I would table for the information of hon. members copies of the communique and press statement in English and French.

Mr. Speaker: The minister seeks leave of the house to table the communique and statement. Is it agreed?

Some hon. Members: Agreed.

(Translation):

CIVIL SERVICE ACT

AMENDMENTS RESPECTING BILINGUAL QUALIFICATIONS

Mr. Alexis Caron (Hull) moved for leave to introduce Bill No. C-90, an act to amend the Civil Service Act (bilingualism).

Motion agreed to and bill read the first time.

(Text):

HEALTH AND WELFARE

ESTABLISHMENT OF COMMITTEE ON DRUGS AND CHEMICAL FOOD CONTAMINATION

On the order: Government notices of motions:

November 30—The Minister of National Health and Welfare:

That a special committee be appointed to consider and report upon (a) the law and practices relating to the control of the introduction, marketing and use of drugs; and (b) the dangers arising from contamination of food by the use of chemicals to kill weeds, insects and other pests;

Questions

That the committee consist of 15 members to be designated by the house;

That the committee be empowered to send for persons and papers and to report from time to time;

That the committee be empowered to sit during the sittings of the house;

That the committee have power to print such papers and evidence from day to day as may be deemed advisable; and

That standing order 66 be suspended in relation thereto.

Mr. Speaker: Pursuant to section 2 of standing order 21 this government notice of motion stands transferred to and ordered for consideration under government orders at the next sitting of the house.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

DISCONTINUANCE OF C.N.R. TRAINS 3 AND 4, SASKATOON-VANCOUVER

Question No. 725—**Mr. Berger:**

1. How many employees will be displaced as a result of the discontinuance of C.N.R. trains 3 and 4 between Saskatoon and Vancouver?

2. Will these trains be reinstated next spring?

3. Is a fast express train handling express, L.C.L. shipments and piggybacks going to take the place of trains 3 and 4, as reported in the Vancouver *Sun* on or about October 24, 1962?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. The employees involved exercise seniority rights in accordance with the governing wage agreements.

2. Details of timetable for next spring have not yet been worked out but it can be assumed that train service provided will be appropriate to the demand.

3. Mail, express, L.C.L. and piggyback traffic is now being handled on manifest trains 303 and 304 which operate very closely to schedule times of discontinued trains 3 and 4. These trains were in operation prior to the discontinuance of trains 3 and 4 and no additional trains have been set up to handle the traffic mentioned.

SECOND TRANS-CANADA MICROWAVE SYSTEM

Question No. 751—**Mr. Matheson:**

1. What is the C.N.R.'s share of the cost of constructing a second trans-Canada microwave system?

2. Is the existing trans-Canada microwave system capable of being expanded?

3. Will the second trans-Canada microwave system reduce the potential traffic available to the existing microwave system?

4. What telecommunications organizations own the existing microwave system?

Mr. McBain: 1. $18,000,000.

2 and 3. The answers to these questions are within the knowledge of the companies concerned.

[Mr. Caron.]

4. The answer to this question is within the knowledge of the trans-Canada telephone system members, which we understand to be Maritime Telephone and Telegraph Company, New Brunswick Telephone Company Ltd., Bell Telephone Company of Canada, Manitoba Telephone System, Saskatchewan Government Telephones, Alberta Government Telephones, British Columbia Telephone Company.

BUS AND RAIL SERVICE, FORT WILLIAM-LONGLAC

Question No. 782—**Mr. Badanai:**

1. Has the C.N.R. sold the buses which operated between Fort William and Longlac and, if so (a) who was the purchaser (b) was an agreement made to the effect that no curtailment of service would be made between Fort William and Longlac?

2. Is there an agreement which will prevent the C.N.R. from resuming rail service between Fort William and Longlac?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. No. (a) Negotiations are under way with Greyhound bus lines; (b) not so far as any train service is concerned.

2. Answered by (b) in question No. 1.

AUTOMATIC RAILWAY YARDS

Question No. 783—**Mr. Badanai:**

1. What will be the cost of the automatic yard in Toronto when completed?

2. What is the total cost of all automatic yard installations in Canada?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. Original estimate approximately $43,000,000. Projected completion cost expected to be somewhat less.

2. Estimated at approximately $102 million.

(Translation):

LANDING STRIP, BEAUHARNOIS-SALABERRY CONSTITUENCY

Question No. 800—**Mr. Laniel:**

Has the Minister of Transport received a request for the establishment of a landing-strip in the constituency of Beauharnois-Salaberry and, if so, (a) on what date (b) from whom (c) has any decision been taken with respect thereto?

Mr. McBain: Yes, (a) October 30, 1948, November 6, 1948, November 25, 1954, (b) junior chamber of commerce Salaberry de Valleyfield, city of Salaberry de Valleyfield, chamber of commerce of Salaberry de Valleyfield, respectively, (c) in the last exchange in 1954 the chamber of commerce requested that federal authorities make a survey relative to the choice of an airport site for Valleyfield and that recommendations then be made to the municipal authorities with regard to the choice of an appropriate site. The chamber was informed that it was the responsibility of the municipality initially to locate

a possible site which was considered suitable; furthermore, the municipality should assume responsibility for any application for federal assistance. Nothing further was heard from the municipality.

(Text):

CANADIAN NATIONAL RAILWAYS PENSIONS

Question No. 837—**Mr. Knowles:**

1. How many retired employees of the Canadian National Railways are in receipt of pensions of less than $25 per month?

2. How many are in receipt of a pension of $25 per month?

3. How many are in receipt of pensions of (a) $25.01 to $29.99 per month (b) $30 to $39.99 per month (c) $40 to $49.99 per month (d) $50 to $59.99 per month (e) $60 to $69.99 per month (f) $70 to $79.99 per month (g) $80 to $89.99 per month (h) $90 to $99.99 per month (i) $100 to $124.99 per month (j) $125 to $149.99 per month (k) $150 to $199.99 per month (l) $200 per month and over?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. 401.

2. 2,637.

3.

Amount of pension	Number
$ 25.01 to $ 29.99	1,055
30.00 to 39.99	1,924
40.00 to 49.99	1,490
50.00 to 59.99	1,091
60.00 to 69.99	1,013
70.00 to 79.99	1,031
80.00 to 89.99	1,102
90.00 to 99.99	1,090
100.00 to 124.99	2,738
125.00 to 149.99	2,306
150.00 to 199.99	2,938
200.00 and over	2,737

In a number of cases the amounts of pensions paid by C.N.R. does not represent the total pensions payable to employees for railway service. Pensions payable by the C.N.R. to international employees (service in both Canada and the United States) relate to their service in Canada only. Such employees also receive annuities payable under the U.S. railroad retirement act or the social security act for service performed in the United States. For example, in the group receiving pensions of under $25 from the C.N.R., there are over 65 former international employees who also receive U.S. railroad retirement or social security annuities in respect of C.N.R. service rendered in the United States. The balance of this group consists of employees who elected early retirement (before age 65) with reduced basic ($25) pensions, and employees who had very short service and small contributions.

FERRY "WILLIAM CARSON"

Question No. 842—**Mr. Stewart:**

1. On how many occasions in each year since the *William Carson* went into service has she been unable to dock at North Sydney, N.S. because of ice in and near the harbour?

2. What losses have resulted because of (a) stress and damage to the ship (b) spoilage of goods and (c) other effects?

3. What alternate port has the *William Carson* used and have facilities there been found adequate and, if not, what are the inadequacies?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. 1958, nil; 1959, 14; 1960, 1; 1961, 39; 1962, 28.

2. Losses cannot be stated in the terms phrased by the question. Estimated total damage is $70,000. There was damage to deck cargo on three occasions resulting from heavy weather. On one other occasion cargo on deck and below deck was damaged, as well as ship's furniture, due to a power failure which reduced speed in heavy weather. No spoilage or damage as a direct result of ice conditions.

3. The alternate port used has been Mulgrave and while the facilities there are not designed for a *Carson* type ship operation they have served their purpose on an emergency basis.

GRANTING OF PAROLES

Question No. 848—**Mr. Matheson:**

1. How many paroles have been granted in each of the years 1959, 1960, 1961?

2. On how many occasions in each of these years have paroles been (a) revoked by the parole board, and (b) forfeited as a result of conviction for an indictable offence?

3. Have all paroled prisoners received psychotherapy, excluding tests, prior to the granting of parole, and are records kept of such treatments?

4. How many times in each of the years 1959, 1960, and 1961, has the royal prerogative of mercy been exercised?

Mr. Bell (Saint John-Albert): 1. 1959, 2038; 1960, 2525; 1961, 2297.

2. (a) 1959, 60; 1960, 97; 1951, 114; (b) 1959, 58; 1960, 94; 1961, 148.

3. No. Records are kept of any such treatments in federal penal institutions but it is not known if they are kept in provincial or county institutions.

Questions

4.	1959	1960	1961
Free pardons	0	1	1
Ordinary pardons	3	7	0
Remission of sentence	10	12	22
Unconditional releases	169	94	88
Temporary releases	36	166	298
Remission of fines	20	22	29
Remission of estreated bails	1	11	4
Remission of forfeited goods	2	5	2
Commutation of death sentences in capital cases	13	6	11
Totals	254	324	455

*C.N.R.—TRANSFERS FROM PROVIDENT FUND TO PENSION PLAN

Question No. 866—**Mr. Rideout:**

1. What was the average contribution required of Canadian National Railway employees belonging to the provident fund to enter the 1959 pension plan?

2. How many officials transferred from the provident fund to the 1959 pension plan, and how many schedule employees paid up and joined?

3. Were the members who retired on the provident fund invited into the 1959 pension plan and, if so, how many?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. $2,683.25.

2. Officers, 40; Supervisors, 69; Schedule employees, 73; Non-schedule employees, 14. Total, 196.

3. The privilege of transferring from the provident fund to the 1959 pension plan was not extended to retired members of the provident fund.

FEDERAL INCOME TAX REVENUE FROM OIL AND GAS

Question No. 874—**Mr. Davis:**

What was the total income tax revenue received by the federal government from the oil and natural gas producing industry in the last fiscal year?

Mr. Flemming (Victoria-Carleton): Income tax revenues received are not analysed by industry but the annual analysis of corporation tax returns published in "Taxation Statistics" indicates taxes declared by corporations in various industrial classifications. Such figures relating to the oil and natural gas industry will be found on pages 111 and 112 of the 1962 edition of this publication. Companies classified in primary production of oil and natural gas declared, for the 1960 taxation year total taxes (including old age security tax) amounting to $4.5 million as shown here, of which about $4.2 million would represent income tax. In addition, some oil and natural gas production is carried on directly by companies classified as petroleum refineries, but the tax arising from production profits cannot be separated. Companies classified as petroleum refineries declared, for the 1960 taxation year, total tax (including old age security tax) amounting to $46.9 million, of which about $43.8 million would represent income tax.

COLUMBIA RIVER—CAPITAL COST OF STORAGE PROJECTS

Question No. 875—**Mr. Davis:**

1. Has there been any change in the estimated capital cost of the Mica creek, Duncan lake, and High Arrow storage projects?

2. What has been the extent of these changes, separately and in total, for the three treaty projects?

3. For what reasons have these changes been necessary?

Mr. Dinsdale: 1 and 2. See attached table.

3. Rising construction costs from 1956 through 1961, as well as minor design changes and increase in allowance for contingencies.

It is understood that agencies of the government of British Columbia have had further investigations and studies made but any revisions to the cost estimates given in the attached table, that may have resulted from these further studies, have not been released.

Questions

Comparison of Cost Estimates for Columbia River Treaty Projects
5½% interest assumed for all estimates

Estimates prepared for:	International Joint Commission		Canadian Negotiators Negotiators Work Group	Northern Affairs and National Resources
Estimates prepared by:	I.C.R.E.B.			Montreal Engineering Co.
Date prepared:	1956-58		1960[1]	1961[1]
	$		$	$
High Arrow lakes	68,016,000		71,790,000	81,200,000
Duncan lake	25,616,000		25,616,000	28,700,000
Mica storage	—	(2)	247,193,000	288,100,000(3)
Total Investment Costs	—		344,599,000	398,000,000

(1)These estimates adopted the basic relocation and other reservoir costs established by the I.C.R.E.B. for the international joint commission.

(2)The I.C.R.E.B. did not prepare an estimate for the cost of Mica prior to the installation of generators.

(3)This estimate could be reduced to $253,600,000 by deferring the cost of items required for the generation of energy at this project.

*CIVIL SERVICE COMPETITION NO. 2650-1961

Question No. 902—**Mr. Rinfret:**

1. Did the civil service commission advertise a competition under the heading "Careers for university graduates" and quote a competition number 2650-1961, and, if so, (a) how many candidates came from Laval, Montreal, and Sherbrooke universities (b) how many candidates were successful on all papers (c) how many did the civil service commission employ?

2. Were graduates with a Bachelor of Arts degree from these universities allowed to compete and, if so (a) how many candidates came directly from "classical colleges" and (b) how many have been employed by the civil service?

Mr. Halpenny: 1. The civil service commission did conduct a competition under the heading "Careers for university graduates" under competition No. 61-2650.

(a) One hundred and forty three candidates.

(b) Eighteen were successful on all papers and all were offered employment.

(c) Six accepted the offer and were employed.

2. Yes.

(a) and (b) No record was kept of those who came directly from classical colleges.

(Translation):

LAPRAIRIE COUNTY, QUE.—COMPENSATION FOR EXPROPRIATED LAND

Question No. 913—**Mr. Boucher:**

How many owners of land or buildings in the county of Laprairie subjected to expropriations by the St. Lawrence seaway authority, have not yet been compensated by the said authority?

Mr. McBain: The St. Lawrence seaway authority advises as follows: 30, including 9 Indian residents or organizations in Caughnawaga.

LAPRAIRIE COUNTY—DISPOSITION OF EXPROPRIATED LAND

Question No. 914—**Mr. Boucher:**

Have any of the lands expropriated by the St. Lawrence Seaway Authority in the county of Laprairie been sold, rented or donated since such expropriations and, if so, (a) to whom and (b) under what terms and conditions?

Mr. McBain: The St. Lawrence Seaway Authority advises as follows:

There have been no sales or donations by the St. Lawrence Seaway Authority of lands expropriated by it in the county of Laprairie. There have been seven conveyances of parcels of these lands by way of lease. Three of these leases, for a term during the pleasure of the Authority, have been to construction companies, Baillargeon & Fournier Inc., Construction Equipment Company Limited and Key Construction Company Limited, for temporary shelter or storage of contruction materials; the lease to Key Construction has been terminated recently. Two more of these leases were to construction companies, Rivermont Construction Company Limited and J. M. Langlois Inc., for the area necessary to the operation of stone crushing plants; both of these leases are now terminated. Another lease, also during pleasure, is in favour of Mr. Armand St-Germain to enable him to

maintain a small boat rental business at the mouth of the St. Jacques river. The one remaining lease is in favour of the Town of Laprairie for a term of forty years covering the site of the municipal filtration plant and of a proposed municipal park. Annual rental under these lease are (or were) as follows:

Baillargeon & Fournier	$ 82.80
Construction Equipment	45.00
Key Construction	900.00
Rivermont Construction	4,950.00
J. M. Langlois	3,300.00
Armand St-Germain	25.00
Laprairie	25.00

COMMUNITY ANTENNA TELEVISION SYSTEMS

Question No. 925—**Mr. Dube:**

Has a meeting taken place in recent weeks between representatives of the National Community Antenna Television Association of Canada, the Canadian Association of Broadcasters, the board of broadcast governors, and the Canadian Broadcasting Corporation and, if so, what decisions were taken at that meeting with reference to community antenna television systems applying to relay by microwave-hops television signals originating from the United States to Canadians in an area where said signals are not otherwise available?

Mr. McBain: Yes. A meeting was held on June 25, 1962. No decisions were taken. A discussion only was intended following which each party was to provide the department with its views in writing. These comments have now been received and the whole question is under study by the government.

CAMPBELLTON, N.B.—MICROWAVE RELAY OF U.S. TELEVISION PROGRAMS

Question No. 926—**Mr. Dube:**

Has the board of broadcast governors and/or the Department of Transport received an application from North Shore Community Television Ltd. of Kedgwick, N.B., for permission to microwave from Kedgwick, N.B., to Campbellton, N.B., signals originating from an American television station and (a) if so, was said permission granted and (b) if not, what reasons for refusal were given to the applicant?

Mr. McBain: Yes, an application was received by the Department of Transport, (a) no, (b) the licensing policy applied in this case is that the department may give consideration to an application which is predicated on the use of a radio relay where the programs are to be received from a transmitting station located in the United States, provided that the area does not receive any Canadian television service either directly or by C.A.T.V.

(Text):

B.C. INDIAN BANDS—LEASE OF FORESHORE PROPERTY

Question No. 938—**Mr. Berger:**

1. Have any leases of foreshore or other property been granted by the Squamish Indian band or the Mission Indian band of British Columbia during 1960, 1961, or 1962 and, if so, in each case (a) to whom were the leases granted (b) how much property was leased (c) what rental is being paid, and to whom?

2. Are any applications or proposals for leases of foreshore or other property of the Squamish Indian band or the Mission Indian band of British Columbia presently under consideration?

Mr. Bell (Carleton): 1. The following leases have been granted on behalf of the Squamish Indian band in the years 1960, 1961 and 1962 (there is no Mission Indian band), namely:

Lessee	Acreage	Annual Rent	Rent payable to
Avalon motor hotel	Advertising sign	$200.00	Band
George Edward Ryan	5,885 sq. ft.	420.00	Willard Joseph
Stanley T. Burt	6,760 sq. ft.	55.00	Band
W. F. Dawson	3,671 sq. ft.	40.00	Band
L. J. & M. B. Dionne	8,050 sq. ft.	55.00	Band
L. J. & M. B. Dionne	8,052 sq. ft.	55.00	Band
C. K. & P. J. Hogan	8,470 sq. ft.	55.00	Band
E. R. Jecho	8,070 sq. ft.	55.00	Band
H. L. & S. E. Mullett	7,260 sq. ft.	55.00	Band
M. Watson	6,930 sq. ft.	55.00	Band
H. A. Whiteside & B. E. Cunningham	6,890 sq. ft.	150.00	Band
J. Bennett	8,400 sq. ft.	55.00	Band
B. E. & D. G. Wales	8,000 sq. ft.	50.00	Band
F. Wright	9,895 sq. ft.	50.00	Band
Total Acreage of Above	2.21 acres		

Lessee	Acreage	Annual Rent	Rent payable to
B. C. Electric Co. Ltd.	.35 acres	325.00	Band
Superior Concrete Products	7.42 acres	3,000.00	Band
T. Eaton Co. Ltd.	15.98 acres	32,039.90	Band
Melvin P. Jacobs	.25 acres	540.00	Constance L. Band
Park Royal shopping centre	25.70 acres	46,106.60	Band
Routledge gravel	2.57 acres	2,000.00	Band
Giroday Sawmills Ltd.	1.94 acres	4,496.68	Band
Earl's Mills	2.50 acres	600.00	Band
Boys club association	18.00 acres	Nil	
Sunshine coast kiwanis club	.5 acres	1.00	Band
Total Area	77.42 acres		

2. No.

FRASER RIVER BASIN BOARD REPORT

Question No. 941—**Mr. Laing:**

1. Was a report presented to the government by the Fraser river basin board?

2. Did the report make recommendations for dike improvement, shore line protection and current direction to ensure safety under spring freshet conditions?

3. Since 1959 have representations been made to the government, accompanied by plans, toward implementing the recommendations of the board?

4. Have any consultations been held between the government and the province of British Columbia respecting division of costs under the plan and, if so, is the government prepared to proceed with these safety measures?

Mr. Dinsdale: 1. Yes.

2. For dike improvement, yes; for shore line protection and current direction, no.

3. No.

4. No. The two governments agreed to assign additional investigations to the board and these further studies are in progress.

DESTINATION OF CANADIAN EXPORTS

Question No. 942—**Mr. Laing:**

In each year since 1945, what was (a) destination by percentage of total exports (b) origin by percentage of total imports, of Canadian trade with (i) U.S.A. (ii) United Kingdom (iii) the present signatories to the treaty of Rome (together) (iv) all Latin America (v) all other countries?

Mr. Nesbitt: The distribution of Canadian exports and imports in the period 1945-1961 was as follows:

TOTAL EXPORTS

(Domestic exports plus re-exports)

(Percentage of total exports)

Year	United States	United Kingdom	Signatories[1] to the treaty of Rome	Latin[2] America	All other countries
1945	38.0	29.8	7.5	1.8	22.9
1946	39.4	25.9	8.3	4.0	22.4
1947	37.7	26.9	8.3	4.7	22.4
1948	49.3	22.2	6.9	4.0	17.6
1949	50.8	23.5	4.7	4.2	16.8
1950	65.2	15.0	3.7	4.7	11.4
1951	59.1	16.1	6.4	5.3	13.1
1952	54.0	17.3	7.9	6.3	14.5
1953	59.2	16.0	6.3	4.8	13.7
1954	60.1	16.7	6.1	4.8	12.3
1955	60.1	17.9	6.2	3.7	12.1
1956	59.2	16.9	7.0	3.7	13.2
1957	59.8	14.9	8.3	4.6	12.4
1958	59.2	15.9	8.6	3.7	12.6
1959	61.9	15.4	6.2	3.4	13.1
1960	56.4	17.2	8.2	3.5	14.7
1961	54.5	15.6	8.4	4.0	17.5

Questions

IMPORTS

(Percentage of total imports)

1945	78.1	6.6	0.1	5.7	9.5
1946	75.3	7.5	0.8	6.8	9.6
1947	76.8	7.2	1.0	6.3	8.7
1948	68.7	11.2	1.5	8.4	10.2
1949	70.6	11.1	1.9	7.1	9.3
1950	66.9	12.8	2.1	6.8	11.4
1951	68.7	10.4	2.9	6.8	11.2
1952	73.7	9.0	2.5	7.2	7.6
1953	73.3	10.5	2.7	6.8	6.7
1954	72.4	9.6	3.0	7.2	7.8
1955	72.9	8.6	3.1	7.0	8.4
1956	72.7	8.6	3.9	6.5	8.3
1957	71.0	9.3	4.1	6.9	8.7
1958	68.5	10.3	4.7	6.9	9.6
1959	67.3	10.7	5.3	6.2	10.5
1960	67.2	10.8	5.3	5.5	11.2
1961	67.0	10.7	5.5	5.6	11.2

[1]Belgium and Luxembourg, France, Germany West, Italy, Netherlands.

[2]Argentina, Bolivia, Brazil, Chile, Columbia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela.

EDUCATIONAL PROGRAM RESPECTING EFFECTS OF SMOKING

Question No. 946—**Mr. Mather:**

Has the government studied the steps taken by the British ministry of health concerning the effects of smoking on public health and, if so, does the government plan to take the lead in a similar nation-wide educational program?

Mrs. Casselman: The Department of National Health and Welfare has been advised of the steps taken by the British ministry of health concerning the effects of smoking on public health, and these are currently being studied.

This matter was discussed extensively at the recent meeting of the dominion council of health, which is composed in part of the deputy ministers of health of the provinces. As a result of this discussion a committee was established to study the subject of smoking and health and make appropriate recommendations for positive action.

C.N.R. TRAIN NO. 4 SCHEDULE CHANGES

Question No. 947—**Mr. Peters:**

1. Has the board of transport commissioners examined the changes in schedule in the C.N.R. continental No. 4 effective October 28, 1962, to determine the inconvenience the new schedule creates for passengers making connections with the Ontario Northland Railway?

2. Has the board of transport commissioners considered these particular changes in relation to their own regulations which provide that timetables be interrelated to serve the best interest of the travelling public?

3. Has the board of transport commissioners examined the adequacy of food and refreshment services at the C.N.R. North Bay station, particularly in view of delays in making train changes that have been caused by recent schedule changes?

Mr. McBain: The Board of Transport Commissioners for Canada advises as follows:

1 and 2. No. The Board of Transport Commissioners for Canada has received no complaint with respect to train connections between the Canadian National Railways and the Ontario Northland Railway at North Bay.

3. The Board of Transport Commissioners for Canada has no jurisdiction over facilities such as those referred to in this question.

CONTROL OF FOREST INSECTS AND DISEASES

Question No. 948—**Mr. Crouse:**

Is the Department of Forestry engaged in, or sponsoring, any research relating to the control, other than by chemical means, of forest insects and diseases and, if so, what is the nature of such research?

Mr. Flemming (Victoria-Carleton): Intensive surveys and research programs are providing fundamental information on the causes of insect outbreaks and disease epidemics and factors influencing the susceptibility of the forest. This information is being used to develop cultural and biological control methods in those cases where damage and losses can be reduced to a tolerable level without the use of insecticides and fungicides. For example, it has been shown that decay losses in balsam fir forests can be substantially reduced by shorter crop rotations and the removal of mature trees. This practice also reduces the susceptibility of the

stands to budworm attack. Sanitation programs can be applied to avoid losses due to stem and root diseases as in the case of Dutch elm disease and armillaria root rot. Damping off diseases in forest nurseries can be controlled by soil amendments and addition of fertilizers. Bark beetle and wood borer losses can be avoided by improved logging procedures.

Biological control programs are being applied to a number of important introduced pests. Imported parasites, predators, and diseases have been released against 16 insect species and with five of these some measure of control is already apparent.

IMMIGRANTS FROM ALGERIA

Question No. 949—**Mr. Dube:**

1. How many French-Algerian refugees have applied for admission to Canada?
2. How many applications were accepted?
3. How many applicants have already landed in Canada?

Mr. Bell (Carleton): 1, 2 and 3. As Algerian repatriates in France are French citizens separate statistics are not maintained on the number applying to immigrate to Canada. While Canadian immigration officials in France report many inquiries from Algerian repatriates few formal immigrant applications have been received. The admission to Canada of immigrants of French citizenship in recent years has been as follows:

1959, 1,933; 1960, 2,395; 1961, 1,987; 9 mos. 1962, 1,862.

USE OF METRIC SYSTEM IN CANADA

Question No. 950—**Mr. Dube:**

Has the government ever given any consideration to the advisability of changing our standards of weights and measures to the metric system now being used by most countries?

Mr. Nesbitt: By statute, metric is a legal system in Canada, and may be used by anyone who finds it beneficial so to do. At such time as it appears advisable that the adoption of metric as the sole system would be advantageous to Canada as a whole, appropriate consideration would be given to all aspects of such change.

FOREST ACCESS ROADS PROGRAM

Question No. 951—**Mr. English:**

What assistance has been offered to the provinces under the federal forestry aid program for improving the access to forests for fire protection and to permit expansion of forest industries?

Mr. Flemming (Victoria-Carleton): Since 1958, financial assistance has been offered to all provinces for the construction of forest access roads. Nine provinces have taken advantage of this aid and several hundred projects have been undertaken. The new roads are located to improve the protection and permit the management of undeveloped forest areas. The need for the roads is determined from the information obtained by the federally assisted inventory surveys. The new roads have resulted in the establishment of primary forest industries in a number of localities, for example, three new sawmills in the Gaspe, and one at Matachewan in Ontario. It is obvious that roads are an essential prerequisite to the attainment of sustained yield management in a particular area.

MAIL SERVICE, C.N.R. TRAIN NO. 9, CHATHAM, ONT.

Question No. 952—**Mr. Clunis:**

1. How many mail trucks pick up mail from C.N.R. train No. 9, running between Toronto and Chatham, Ontario, for delivery to post offices outside the city of Chatham?
2. What post offices receive mail delivery from these trucks?
3. On how many days, other than Sunday, has mail from C.N.R. train No. 9 arrived on time at Chatham since November 1, 1962?
4. On how many days has mail from train No. 9 arrived late at Chatham one hour or more, since November 1, 1962?

Mrs. Fairclough: 1. 3: Chatham and Leamington, Chatham and Sarnia, Chatham and Wallaceburg.

2. Charing Cross, Tilbury, Merlin Fletcher, Port Alma, Comber Ruscom station, Coatsworth station, Staples, Wheatley, Blytheswood, Leamington Kingsville, Eberts, Dresden, Tupperville, Bear Line, Dover Centre, Wallaceburg.

3. Four times.

4. Once; on the remaining days, up to and including 28th November, train 9 arrived Chatham less than one hour behind schedule.

NATIONAL PARKS PROGRAM

Question No. 955—**Mr. Roxburgh:**

Has an overall national parks program, in co-operation with the provinces, been considered by the federal government and, if so (a) what is the nature of such a program (b) what steps, if any, have been taken to implement it?

Mr. Dinsdale: There have been extensive discussions on various aspects of parks and outdoor recreation by the federal government and the provinces and other interested agencies, since 1957. This was one of the seven main topics considered by the resources for tomorrow conference, for example. Because of the provincial jurisdiction over resources the conference recommended the establishment of a federal-provincial parks conference. As a result, the government of Canada

convened the federal-provincial parks conference which was held in Ottawa on November 20 and 21, 1962.

(a) Because of their numbers, their location and their established purposes, Canada's national parks are limited in meeting the total demand for outdoor recreation that exists today. It is for this reason the federal government, within the scope of its jurisdiction, has been encouraging the development of other facilities under appropriate auspices to provide a balanced and adequate service for the people of Canada and visitors from other countries.

(b) The parks conference of 1962 discussed the relationship of public and private enterprise and of the three levels of government in Canada in providing outdoor recreational facilities. It agreed to reconvene in 1963 and every second year thereafter to consider these broad matters affecting parks policy and planning. In addition, annual meetings of parks administrations will be held to examine management techniques and exchange of information on them. Furthermore, the national parks branch will serve, for the time being, as a clearing house with the provinces on these matters.

In addition, the government of Canada has provided an over-all plan since 1958 for the development by the provinces (under federal financial aid) of camp grounds and picnic sites as part of the winter employment program. Furthermore, the governments of the ten provinces and of Canada share the cost of another recreational program to provide further facilities of this kind along the Trans-Canada highway. The municipal winter works program has been used extensively to provide adequate recreational facilities for urban cities. The Canada Water Conservation Act operating under the principle of multiple use of renewable resources is assisting in providing recreational areas in several major centres. In addition, the newly launched A.R.D.A. program will assist in developing land and water resources for outdoor recreational purposes.

TENDER REQUIREMENTS, PROJECTS UNDER $15,000

Question No. 956—**Mr. McWilliam:**

1. What is the minimum number of quotations required to be submitted before a contract is awarded, or a work order authorized, where private tenders are asked for on projects less than $15,000?
2. Do contract or work-order regulations for projects under $15,000, for which private tenders are invited, provide that the contract or work order be awarded to the lowest tenderer?

Mr. Grafftey: 1. Not specified.

2. No.

[Mr. Dinsdale.]

(Translation):

SUBSIDY ON CHEESE EXPORTED TO U. K.

Question No. 957—**Mr. Ethier:**

1. What is the amount of subsidy paid on each pound of cheese exported to England, and what is the amount paid on each pound of Cheddar cheese sold on the domestic market?
2. What is the amount of subsidy, if any, paid on skimmed milk?

Mr. Pigeon: 1. No direct subsidy is paid on cheese exported to England. However, when it is proven that first grade Cheddar cheese has been exported to the United Kingdom, the agricultural stabilization board reduces the sale price of that cheese by four cents a pound.

A subsidy of two cents a pound on cheese with a count of 94 or over and of one cent a pound on cheese with a count of 93, is paid to producers for any cheese meeting the standards of quality set up by the Cheese and Cheese Factory Improvement Act and its regulations.

2. No subsidy is paid on skimmed milk.

(Text):

DEFOLIATION OF DECIDUOUS TREES

Question No. 958—**Mr. MacRae:**

Has the Department of Forestry investigated the cause of the severe defoliation of deciduous trees during the early part of the summer in many parks, camp sites, and recreation areas in central and western Canada and, if so, (a) is the cause now known (b) are these conditions likely to continue (c) is the Department of Forestry able to do anything to remedy the situation?

Mr. Flemming (Victoria-Carleton): Outbreaks of the forest tent caterpillar or army worm have developed in many regions during the past two years. These outbreaks occur at about ten to twelve year intervals. They seldom persist in any one area for more than three years and numbers are eventually reduced by natural control agents such as unfavourable weather and parasites. The principal host tree is trembling aspen, but larvae also feed on other hardwoods. Trees are able to withstand several years of defoliation without appreciable losses other than a reduction in growth. Nevertheless, the insect has a high nuisance value and during outbreak years tourists and cottage owners are bothered by migrating larvae and the unsightly appearance of denuded trees during the early summer.

The forest insect and disease survey carries out an annual assessment of this problem. Special reports are prepared for provincial

forest and park authorities which explain the current outbreak conditions and give some forewarning of conditions which are likely to prevail the succeeding spring. Chemical control of this insect is recommended only in important tourist or recreation areas. The survey is prepared to take an active part in gathering data for the planning and subsequent assessment of these operations.

*CANNED RED TUNA CAT FOOD

Question No. 959—**Mr. Haidasz:**

1. Has the Minister of Fisheries received any complaints concerning imported canned red tuna catfood?
2. What is the reported incidence of steatitis in animal pets fed canned red tuna?
3. What are the present regulations concerning imported canned red tuna catfood?

Mr. MacLean (Queens): Yes, three complaints regarding this incident.

2. Only one case of steatitis, or fatty degeneration in pets has been reported to the department. I am informed this condition is caused by lack of vitamin E.

3. The Meat and Canned Foods Act, under which canned fish is inspected, contemplates food for man only. There are, therefore, no regulations dealing with the inspection of pet food. Canned red tuna, however, is an excellent source of protein, but is not in itself a balanced ration as it is deficient in vitamin E.

NORTH FRASER HARBOUR COMMISSION

Question No. 962—**Mr. Laing:**

1. In 1961, what was (a) total tonnage of freight (b) total board feet of saw logs (c) total value of all commodities (d) total revenue, administered by the North Fraser harbour commission?
2. Under the proposed revisions in the New Westminster harbour commission, will the government ensure the continuing independence of the North Fraser harbour commission?

Mr. McBain: 1. (a) 5,485,797 tons (including logs). (b) 1,237,079,973 FBM. (c) Not available. (d) $164,137.33.

2. Yes.

COST OF PUBLIC DEBT SERVICE

Question No. 964—**Mr. Laing:**

In each year since 1945, what percentage of total budgetary expenditure has been required for service of the public debt?

Mr. Grafftey: This information is published annually in the public accounts: For the years 1945 and 1946 in statement entitled "Percentage Distribution of Revenue and Expenditure;" for years 1947 on, in statement entitled "Summary of Budgetary Expenditures by Departments and Major Classifications."

RADIO STATION CFPR, PRINCE RUPERT, B.C.

Question No. 965—**Mr. Howard:**

What plans are in existence and what steps are being taken to increase the wattage output of radio station CFPR in Prince Rupert, B.C.?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation that preliminary site studies have been made for a transmitter location, which will accommodate a directional antenna for a proposed new 5000 watt station to broaden radio coverage, including service to the Queen Charlotte islands. This project is one of those on which planning has been suspended for the balance of this fiscal year, as announced by the C.B.C. in September, 1962 with the reduction in the budget for capital expenditures.

ANNUAL PAYMENTS UNDER UNEMPLOYMENT ASSISTANCE ACT

Question No. 966—**Mr. Laing:**

Since the inception of the Unemployment Assistance Act, what has been the annual sum paid each province and territory under the act?

Mrs. Casselman:

AMOUNTS PAID BY THE FEDERAL GOVERNMENT UNDER THE UNEMPLOYMENT ASSISTANCE ACT, BY PROVINCE DURING EACH FISCAL YEAR FROM THE INCEPTION OF THE ACT

	1956–57	1957–58	1958–59	1959–60	1960–61	1961–62	To October 31 1962–63
	$	$	$	$	$	$	$
Newfoundland	2,373,125	1,787,894	3,040,767	3,670,091	2,832,548	4,416,941	2,185,535
Prince Edward Island	96,139	73,010	67,726	113,096	110,951	172,694	75,395
Nova Scotia	—	26,046	298,458	654,039	1,609,453	1,743,480	801,820
New Brunswick	28,845	42,237	180,614	351,252	1,396,476	1,371,210	784,445
Quebec	—	—	—	7,790,530	14,164,527	38,222,198	15,607,232
Ontario	—	2,135,460	9,325,564	14,028,523	12,916,311	16,989,890	11,454,079
Manitoba	805,375	750,681	1,604,219	2,380,231	3,276,825	4,233,857	2,970,243
Saskatchewan	665,969	626,680	1,420,618	1,828,313	2,269,710	4,175,595	2,771,549
Alberta	—	—	1,858,633	2,071,494	2,555,920	4,217,026	2,471,995
British Columbia	3,906,115	2,791,117	6,136,935	7,245,439	10,313,342	16,424,969	7,639,381
North West Territories	—	—	—	33,418	20,413	38,401	12,249
Yukon	—	—	—	—	53,610	37,982	23,703
CANADA	7,875,568	8,233,125	23,933,534	40,166,426	51,520,085	92,044,244	46,797,626

Questions

WELDON CHAN—DEPORTATION ORDER

Question No. 967—**Mr. Howard:**

1. Under what statutory provision and for what reason, was the order for the deportation of Mr. Weldon Chan issued; when was it issued, and is it still in effect?

2. If the said order has not been executed, what is the reason therefor?

Mr. Bell (Carleton): 1. Section 19 (1) (e) (vi) of the Immigration Act for violation of conditions of admission as a non-immigrant. The order for deportation was issued on May 13, 1959 and, under section 33 (2) of the Immigration Act, is still in effect.

2. Prior to the proposed execution of the order for deportation Mr. Weldon Chan disappeared.

SALMON SPAWNING, QUEEN CHARLOTTE ISLANDS

Question No. 969—**Mr. Howard:**

1. Over the past 20 years, has any survey or surveys been conducted on the Queen Charlotte islands to determine the number of salmon spawning streams and rivers which have been destroyed as a result of (a) logging, and (b) the taking of gravel therefrom and, if so, how many such creeks, streams or rivers, by name, have been destroyed?

2. With respect to each such creek, stream or river, what is the actual or estimated decline in the number of mature fish, by species?

Mr. MacLean (Queens): 1. Each year fishery officers, patrolmen and guardians survey the streams in their area of responsibility. Debris is removed and obstructions reported for action by specialized crews. The autumn survey is especially detailed since an estimate of spawning escapement is required.

In 1961 and 1962 teams of trained biologists and technicians made detailed surveys of all salmon spawning streams on the Queen Charlotte islands, with the objective of outlining all possible improvement measures toward more efficient spawning of chum salmon, the catches of which species have continued to decline. The voluminous data from these surveys are now being compiled and correlated with all those available from previous years.

To date no stream has been found to have been destroyed by logging or gravel removal, but certain sections of some may be in need of improvement.

2. Spawning escapements are estimated according to the best means available but it has been found by using counting fences as checks that even now these estimates may vary up to 30 per cent from the actual numbers. Because of this possible error added to the known variation in success of runs from year to year and cycle to cycle, such minute comparison would be valueless and has not been carried out.

MAINTENANCE OF RIGHTS OF WAY, HALTON CONSTITUENCY

Question No. 971—**Mr. Harley:**

1. Who is responsible for maintenance of railway cuts, abutments, embankments and subways on C.N.R. rights of way, and has the C.N.R. received any protests concerning their maintenance in Halton constituency?

2. If so, what were (a) the sites of such protested areas (b) the dates of protest (c) the steps taken by the C.N.R.?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. The jurisdiction rests with the great lakes region of the railway at Toronto.

2. (a) As was pointed out in the answer given on October 24 to question No. 357 on the order paper, the existing main line through Burlington was constructed in 1855, and the planned set-off tracks are an essential part of the operations to serve the industrial complex between Burlington and Mimico and the connection with the line to the new hump yard. (b) Representations have been received and officers of the great lakes region have held meetings with the mayor and councillors in order to explain what is involved. (c) The railway officers have made an extensive examination of the situation as to the location of the set-off tracks and several sites were examined in the course of which many factors had to be taken into account such as operating conditions, and engineering limitations. Every effort has been made in the overall project in order that the minimum of disturbance would be caused to communities.

EARNINGS OF TAXPAYERS

Question No. 974—**Mr. Scott:**

In the years ended December 31, 1958, December 31, 1959, and December 31, 1960, how many Canadian taxpayers earned, per year, (a) between $1,000-$1,999 (b) between $2,000-$2,999 (c) between $3,000-$3,999 (d) between $4,000-$4,999 (e) between $5,000-$5,999 (f) between $6,000-$6,999 (g) between $7,000-$7,999 (h) between $8,000-$8,999 (i) between $9,000-$9,999 (j) over $10,000?

Mr. Flemming (Victoria-Carleton): The earnings of Canadian taxpayers (individuals) by classes for the years ended December 31, 1958, December 31, 1959 and December 31, 1960, relating to the taxation years 1958, 1959 and 1960 respectively are detailed as follows:

Classes of Earnings (per year)	Yr. ended Dec. 31/58	Yr. ended Dec. 31/59	Yr. ended Dec. 31/60
$1,000-$1,999	629,651	639,725	629,747
$2,000-$2,999	893,868	886,585	876,235
$3,000-$3,999	1,016,281	1,012,718	998,741
$4,000-$4,999	695,875	756,219	805,264
$5,000-$5,999	340,429	397,403	451,522
$6,000-$6,999	165,242	195,740	225,279
$7,000-$7,999	88,901	106,225	122,162

Questions

Classes of Earnings (per year	Yr. ended Dec. 31/58	Yr. ended Dec. 31/59	Yr. ended Dec. 31/60
$8,000-$8,999	49,370	59,791	69,454
$9,000-$9,999	32,298	38,112	45,468
Over $10,000	115,731	127,457	141,721

HOME MAIL DELIVERY, HAWKESBURY, ONT.

Question No. 977—**Mr. Ethier:**

1. Has the Post Office Department recently completed a survey to determine the eligibility of residents of Hawkesbury, Ontario, for home mail delivery and, if so, what were the results of such survey?

2. Will a further survey be made in Hawkesbury in the near future with a view to expediting the inauguration of home mail delivery?

Mrs. Fairclough: 1. Yes. This survey indicated that the community qualified for letter carrier service but 80 per cent of the homes are not equipped with letter slots or mail boxes.

2. Yes, early in January to determine whether 80 per cent of the householders have provided mail receptacles.

FEMALE PROPORTION OF WORKING FORCE

Question No. 979—**Mr. Mather:**

What percentage of the total working force of Canada is female, and what percentage of winter works program jobs is filled by women?

Mr. Starr: Women account for 27 per cent of the total Canadian labour force. There is no information available as to the number of women employed on projects under the municipal winter works incentive program. However, since this program is directed to construction, it is unlikely that very many women are so employed.

STORM LOSSES SUSTAINED BY EAST COAST FISHERMEN

Question No. 982—**Mr. Crossman:**

1. Has the Department of Fisheries initiated a survey to establish the total losses sustained by east coast fishermen through the destruction of lobster traps and other equipment by the recent series of storms?

2. Has the government given consideration to provision of financial aid to fishermen to enable them to repair or replace damaged equipment?

Mr. MacLean (Queens): 1. Field officers of the department report regularly on storm damage as it may occur.

2. Reports received to date do not indicate a need for special government consideration. The fishermen's indemnity plan provides an opportunity for fishermen to insure vessels and lobster traps against storm or other damage.

[Mr. Flemming (Victoria-Carleton).]

RED BANK INDIAN RESERVE, N.B.—BAND FUND

Question No. 985—**Mr. McWilliam:**

1. Is there a band fund set up for the Red Bank Indian reserve, Miramichi agency, New Brunswick, and, if so, what is the total amount of the band fund?

2. Is this band fund held in trust and, if so, who is responsible for its administration?

Mr. Bell (Carleton): 1. Yes, the total amount of the band fund is $12,341.41.

2. Yes. The superintendent general of Indian affairs, who is the Minister of Citizenship and Immigration, is responsible for the administration.

UNITED STATES AIR FORCE BASES IN CANADA

Question No. 988—**Mr. Douglas:**

1. Are there any U.S.A.F. bases in Canada and are there any Canadian bases used by the U.S.A.F. to any significant extent?

2. If so, what are the names of these bases and what are the major items of equipment (i.e., aircraft, bombs, other weapons and fuel) held on these bases either permanently or in transit?

Mr. Churchill: 1 and 2. U.S.A.F. bases in Canada: Harmon, Goose Bay. Refuelling tanker aircraft, fighter interceptor aircraft, fuel, conventional air defence weapons.

Bases used by U.S.A.F. in Canada: Frobisher Bay, Fort Churchill, Cold Lake, Namao. Refuelling tanker aircraft and fuel.

DEVELOPMENT OF GARIBALDI PARK, B.C.

Question No. 990—**Mr. Douglas:**

1. Has the Minister of Northern Affairs and National Resources yet received a reply to his offer of May 2, 1958, to meet with the minister of recreation and conservation of British Columbia regarding the federal government's willingness to bring the matter of federal development of the whole of Garibaldi park forward for consideration by the federal government, provided the B.C. government is willing to turn it over free of incumbrances?

2. Does this offer to meet still stand?

Mr. Dinsdale: 1. No.

2. Yes.

REGULATIONS RESPECTING MEMBERS OF R.C.A.F. IN MAYORALTY ELECTIONS

Question No. 993—**Mr. McWilliam:**

Has there been a change in R.C.A.F. regulations whereby only commissioned officers are now eligible to offer as candidates for the mayoralty of residential areas located on or near R.C.A.F. stations and, if so, is this new regulation applicable to all R.C.A.F. stations or is it only applicable to certain stations, and what is the present status of Curtis Park, R.C.A.F. station, Chatham, New Brunswick?

Mr. Churchill: No. However, since December 6, 1961, commanding officers are required to appoint the senior person (by rank) from the elected representatives to be the mayor. This may or may not be an officer. At R.C.A.F.

station Chatham, one of two officers elected as councillors was appointed mayor by the commanding officer.

PROPHET RIVER INDIAN DAY SCHOOL TEACHERS

Question No. 995—**Mr. Howard:**

1. How many teachers are there at the Prophet River Indian day school, and how many were there during the preceding school term of 1961-62?

2. What is the educational background and scholastic achievement of each of these teachers?

Mr. Bell (Carleton): 1. There is one teacher employed at the Prophet River Indian day school, and there was one teacher during the preceding school term of 1961-62.

2. The same teacher has been employed at this school during the current and preceding school years. This teacher completed junior matriculation in the province of Saskatchewan. She has had ten years of teaching experience.

(Translation):

BRANCH LINE CONSTRUCTION, MATANE—STE. ANNE DES MONTS

Question No. 1007—**Mr. Marcoux:**

What progress has been made in the construction of the railway line between Matane and Ste. Anne des Monts, and has section 6 of the enabling act been complied with?

Mr. McBain: (a) The Canadian National Railways are making a detailed survey but the report on that survey has not been received yet.

(b) The act received royal assent on March 23, 1962. A report for the year 1962 will be submitted to parliament early in the new year.

(Text):

E. A. DRIEDGER

Question No. 1,008—**Mr. Marcoux:**

Is Mr. E. A. Driedger in the employment of the government of Canada and, if so, since what date, and on what date was he appointed to his present position?

Mr. Bell (Saint John-Albert): Mr. E. A. Driedger has been employed by the government of Canada since June 1, 1940. He was appointed to his present position on July 1, 1960.

(Translation):

CANADA'S SUBSCRIPTION TO INTERNATIONAL MONETARY FUND

Question No. 1020—**Mr. Cote:**

What is the amount of capital stock subscribed and paid up by Canada in the international monetary fund, and in what manner was such amount subscribed?

Mr. Grafftey: Mr. Speaker, I have to inform the hon. member who asked that question that, unfortunately, as the answer was handed to me only ten minutes ago, I did not have time to have it translated into French. With your permission, I am tabling it in English.

(Text):

Canada's initial quota and subscription to the international monetary fund as determined by the United Nations monetary and financial conference in 1944 was the equivalent of U.S. $300 million. Of this amount, 25 per cent or U.S. $75 million was paid in gold and the balance in the form of Canadian dollar non-interest bearing, non-negotiable demand notes. In 1959, at the time of a general increase in quotas of I.M.F. members, Canada's quota was increased to the equivalent of U.S. $550 million. Twenty five per cent of the increase was paid in gold and the balance in non-interest bearing, non-negotiable demand notes.

QUESTIONS PASSED AS ORDERS FOR RETURNS

C.N.R. SERVICE, NEWFOUNDLAND

Question No. 642—**Mr. Carter:**

1. What is the total number of passengers carried on the C.N.R. in Newfoundland between November 1 and May 31 inclusive each year during the past 5 years?

2. How many (a) first class trains (b) second class trains (c) third class trains, were operated between the same dates in the same period?

3. How many (a) first class cars (b) second class cars (c) third class cars, were included in each train?

4. If trains were mixed, what was the average number of first class, second class, and third class cars included in each train?

5. How many pullman passengers were carried each year during the dates set forth in part 1 above, and how many pullman cars were employed for this purpose?

APPLICATION OF BILL OF RIGHTS TO IMMIGRATION ACT

Question No. 742—**Mr. Knowles:**

1. Has section 19 of the Immigration Act, chapter 325 of the revised statutes of Canada, 1952, been examined in the light of section 2, subsections (a) and (b), of the Canadian Bill of Rights, chapter 44 of the statutes of Canada, 1960, and if so, by whom, and what is the result of such examination?

2. Is consideration being given to the proposing of changes in section 19 of the Immigration Act?

LISTS OF PREFERRED CONTRACTORS

Question No. 791—**Mr. Thompson:**

Does the government maintain any list or lists of preferred contractors for use in the placing of contracts for goods to be supplied to, or work to be performed for, the government, and, if so, what are the qualifications for a person or company to be included in such a list?

PREFERENCE BETWEEN U.S. AND CANADIAN TELEVISION PROGRAMS

Question No. 924—**Mr. Dube:**

Has the board of broadcast governors, and/or its chairman and/or the Department of Transport, carried out studies of the preferences of Canadians,

when they have a choice, between television programs of Canadian or United States origin and, if so (a) what were their findings (b) what percentage of the Canadian population already receives television programs originating from the United States?

Mr. Halpenny: Return tabled.

CROWN CORPORATIONS AND GOVERNMENT BOARDS

Question No. 960—**Mr. Davis:**

What crown corporations, government boards, and other similar government agencies, not directly under departmental authority, are actively functioning at the present time?

WINTER WORKS PROJECTS

Question No. 975—**Mr. McMillan:**

1. How many winter works projects have been approved, undertaken or completed during 1962 to date?
2. What is the total cost to the federal government?
3. What is the list of these projects, by municipalities, showing the allocation of costs for each project between the municipalities, federal government, and any provincial authority?

CARILLON DAM—FEDERAL RESPONSIBILITY

Question No. 981—**Mr. Ethier:**

1. Has the federal government title to any property fronting on the Ottawa river between the city of Ottawa and the Carillon dam?
2. Has the federal government any responsibility for lands fronting on the Ottawa river?
3. Did the federal government enter into any agreement with the governments of the provinces of Ontario and Quebec with respect to the Carillon dam development?
4. If so, has the federal government any financial responsibility for damage to property fronting on the Ottawa river resulting from operations connected with the Carillon dam development?

PLYWOOD PURCHASED FOR FORT ST. JOHN INDIAN AGENCY, B.C.

Question No. 997—**Mr. Howard:**

1. For each year during the past ten years, has any plywood been purchased for or sent to the Fort St. John Indian agency and, if so, how much, at what cost, and from whom was it purchased and to whom was it sent?
2. With respect to each such shipment or purchase, how much was used, by whom and for what purpose, and has any disappeared or not been used and, if so, how much in each case?
3. If any has "disappeared", what steps have been taken to locate it and deal with its "disappearance"?

WIRE FENCING PURCHASED FOR FORT ST. JOHN INDIAN AGENCY, B.C.

Question No. 998—**Mr. Howard:**

1. For each year during the past ten years, has any barbed or other type of wire or wire fencing been purchased for or sent to the Fort St. John Indian agency, and, if so, what volume of wire, by type, at what cost and from whom was it purchased, and to whom was it sent?
2. With respect to each such shipment or purchase, how much was used, by whom and for what purpose, and has any "disappeared" or not been used and, if so, how much in each case?
3. If any has "disappeared" what steps have been taken to locate it and deal with its "disappearance"?

FARM MACHINERY PURCHASED FOR FORT ST. JOHN INDIAN AGENCY, B.C.

Question No. 999—**Mr. Howard:**

1. For each year during the past ten years, has any farm machinery been purchased for or sent to the Fort St. John Indian agency and, if so, how many of what types of machinery, and at what cost and from whom was it purchased, and to whom was it sent?
2. Was any instruction given to Indians in the said agency in the use of this machinery and, if so, to whom, by whom, and on what dates?
3. Has any of the machinery been put to use and, to what extent?

SAWS PURCHASED FOR FORT ST. JOHN INDIAN AGENCY, B.C.

Question No. 1,000—**Mr. Howard:**

1. For each year during the past ten years, has any power saw or saws been purchased for, or sent to, the Fort St. John Indian agency and, if so, what number, at what cost, and from whom were they purchased and to whom were they sent?
2. Do the records of the Indian agency or any other section of the Indian affairs branch indicate to whom each saw was provided and has any inquiry or investigation been made to determine whether or not the saws actually got into the possession of the person for whom each was destined, and, if so, what has been the result of that investigation and what action has been taken or is contemplated as a result thereof?

Mr. H. W. Herridge (Kootenay West): I rise on a point of privilege, Mr. Speaker. I have been informed that this is the first time in Canadian parliamentary history that a thousand questions have been asked in the period during which this house has sat. I understand that on a previous occasion some suggestion was made that there should be recognition of the hon. member who asked the thousandth question, and I rise to suggest that you give consideration to promoting an all party present to the hon. member for Skeena, in the form of a power saw.

EXTERNAL AFFAIRS

INDIA—INQUIRY AS TO MILITARY AID

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister—and I apologize for not giving him notice of this question, which has just come to my attention—whether he would care to comment on a report from India that the Indian government had asked Canada for winter clothing for her troops

and also artillery and long range mortars, which latter request was refused on the ground that none were available.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in so far as the first part of the question is concerned, there was a request for certain clothing, the particulars of which I have not at the moment before me. It was clothing of various kinds and varieties. So far as the latter part of the question is concerned, I will have to look into that matter as I personally have had no notice in this regard.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, a supplementary to the question just asked by the Leader of the Opposition. Is the Prime Minister in a position to say whether consideration has been given, in connection with the request for winter clothing, to making immediately available the thousand year stock of long underwear which we understand is now available?

Mr. Diefenbaker: Mr. Speaker, that has been on hand since 1952, and I do not know whether they would want it.

SPORTS

BRITISH EMPIRE GAMES—VICTORY OF CANADIAN BOXER

On the orders of the day:

Mr. Bert Leboe (Cariboo): Mr. Speaker, my question is directed to the Prime Minister. Does the Prime Minister expect to be as successful in his next battle as was gold medallist Harold Mann, the boxer from Prince George, the centre city of British Columbia?

Mr. Speaker: Order. I think hon. members from the city of Ottawa and perhaps a few others might wish to rise on similar questions; but I think we can all read our newspapers and rejoice in the success achieved by some of our Canadian athletes.

CANADIAN NATIONAL RAILWAYS

PETITION REQUESTING APPOINTMENT OF FRENCH CANADIANS TO EXECUTIVE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Prime Minister. Would the Prime Minister give the house his views on the petition which has been signed by members of his own, and of other parties, urging that some French Canadians be appointed to the executive of Canadian National Railways?

Mr. Speaker: Order. The hon. member realizes that he may not ask for comments on certain matters which have taken place outside this chamber, and for which the minister is not responsible.

WATER RESOURCES

STATEMENT ON STUDY OF GREAT LAKES POLLUTION

On the orders of the day:

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, on Friday last the hon. member for Fort William inquired if the government is giving consideration to additional financial assistance being granted to the great lakes institute. It is assumed the water pollution mentioned by the hon. member is not oil pollution, as it is understood the institute is not concerned with this, but rather with industrial waste.

The great lakes institute is a scientific body co-ordinated under the Canadian committee on oceanography. It is operated by the University of Toronto, and I believe the provincial government makes some contribution in respect of the fisheries aspect. The meteorological branch of my department provides certain staff and equipment, and our marine services branch also assists the institute in the operation of the C.G.S. *Port Dauphine*. There are other departments of the federal government which may have an interest in the work by the institute, such as northern affairs, water resources branch, national health and welfare, and mines and technical surveys. Perhaps my hon. friend would like to communicate with those departments in the matter.

(Translation):

AIR TRANSPORT

ST. JEAN DE LA LANDE, QUE.—INQUIRY AS TO ACCIDENT

On the orders of the day:

Mr. Gerard Legare (Rimouski): I should like to direct a question to the Minister of Transport. Can the minister now report on the causes of the aircraft accident which took place in Beauce area more than a week ago. I put the question to the minister last week.

Hon. Leon Balcer (Minister of Transport): Personally, I have not yet received a report, Mr. Speaker.

Mr. Speaker: I would suggest to the hon. member to put this question on the order paper. By so doing, he may receive an answer sooner.

Inquiries of the Ministry

CANADIAN FLAGS

INQUIRY AS TO PROCLAMATION OF RED ENSIGN

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): My question is directed to the Prime Minister.

Has the Prime Minister received in his mail today a circular letter saying that order in council No. 5888 of September 5, 1945, proclaimed that the flag commonly called a red ensign was the distinctive national flag?

Mr. Speaker: Order. I think that the hon. member must admit that this is no time, on the orders of the day, to ask if such and such publications, pamphlets or letters, etc., have been received.

(Text):

TRANSPORT

CORNWALL, ONT.—LEAK OF CHLORINE GAS FROM RAILWAY TANK CAR

On the orders of the day:

Mr. Lucien Lamoureux (Stormont): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the near catastrophe which happened in Cornwall on Friday evening last resulting from a leak of chlorine gas from a tank car on a railway siding, will the minister discuss with the board of transport commissioners what precautions can be taken to prevent the recurrence of such a tragic accident?

(Translation):

Hon. Leon Balcer (Minister of Transport): I shall be pleased, Mr. Speaker, to look into this problem.

(Text):

VETERANS AFFAIRS

LAKEHEAD—USE OF NON-VETERAN SOLICITORS IN LAND ACT TRANSACTIONS

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. In reply to my question No. 434 on the order paper, which asked the minister if he had received a communication from the Royal Canadian Legion, branch No. 6 of Fort William, protesting against the practice of the director of the Veterans Land Act in using non-veteran solicitors at the lakehead, on October 31 I received the reply that a communication had been received and the matter was being investigated. My question is, can the minister indicate to the house whether he has the result of the investigation?

Hon. Gordon Churchill (Minister of Veterans Affairs): No, Mr. Speaker. This involves the Department of Justice as well as the Department of Veterans Affairs. I will supply the appropriate answer as soon as possible.

Mr. Speaker: Perhaps it could be done directly and not on the orders of the day, I suggest to the hon. member.

DOMINION-PROVINCIAL RELATIONS

SUGGESTED CONFERENCE ON INDIAN AFFAIRS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, before the orders of the day are called I should like to ask the Minister of Citizenship and Immigration whether he or the government has given any consideration to calling a federal-provincial conference to discuss Indian affairs, and the transfer of certain welfare services for Indians to the provinces.

Hon. Richard A. Bell (Minister of Citizenship and Immigration): Mr. Speaker, if the matter is decided in the affirmative the announcement will be made in the house.

Mr. Pickersgill: I wonder whether I could ask a supplementary question. Has the minister or the government received any representations from any of the provincial governments asking for such a conference?

Mr. Bell (Carleton): Not to my recollection, Mr. Speaker.

FREIGHT RATES REDUCTION ACT

AMENDMENTS EXTENDING APPLICATION AND INCREASING EXPENDITURES

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Freight Rates Reduction Act to extend for not more than twelve months the period during which the revised rates under the said act shall be applicable and to increase the authorized expenditure under the act by an additional twenty million dollars.

Motion agreed to and the house went into committee thereon, Mr. Chown in the chair.

Mr. Balcer: This resolution seeks the approval of the house to introduce a bill to amend the Freight Rates Reduction Act for a further period not exceeding 12 months from April 30, 1962, and to provide necessary money for that purpose.

The original Freight Rates Reduction Act was passed in 1959. Its purpose was to make provision for a reduction in certain freight rates that were taking the 17 per cent freight rate increase which had been authorized to November, 1958. The sum of $20,000,000 was provided to reimburse the companies for

resulting reductions in their revenues during the 12 months' period that the original act covered. The act was extended in 1960 (chapter 42) for nine months, and an additional $15,000,000 was provided. It was extended again in 1961 (chapter 29) for 12 months, with an additional $20,000,000.

The first reduction was made on August 1, 1959, when the 17 per cent increase in the rates affected was reduced to 10 per cent. A second reduction was made in May, 1960, when the 10 per cent was reduced to 8 per cent.

The last extension of the statute expired on April 30, 1962. It was the intention of the government at the last session of parliament to extend the act for a further period not exceeding 12 months from April 30, 1962 and, pursuant thereto, a resolution dated March 29, 1962 was introduced in the house. However, due to the dissolution of parliament on April 18 it was not possible to take action on that resolution.

The government recognized that under existing statutes the railway companies could, after April 30, increase the reduced rates to the 17 per cent level that existed prior to the enactment of the Freight Rates Reduction Act, but the government was of the view that such an increase at that time, pending final consideration of the report of the royal commission on transportation, would be contrary to the public interest, and it therefore proposed to the railways that they continue the reduced rates. The government, on its part, undertook to ask parliament to enact legislation to compensate the companies to the extent that they would have been entitled had the Freight Rates Reduction Act been extended from April 30, 1962. The result was that the companies have continued the reduced rates since April 30.

The government considers that it would be in the public interest to continue the benefits of the Freight Rates Reduction Act for a further period pending such legislation as may flow from final consideration of the report of the royal commission on transportation. The proposed amendment is for that purpose.

Mr. Chevrier: The resolution introduced by the Minister of Transport has three points in mind. The first is to amend the Freight Rates Reduction Act. The next is to extend for a period of not more than 12 months the provisions of the act. The third is to increase the authorized expenditure under the act by an additional $20 million.

My submission to you, Mr. Chairman, is that this is not an extension of the act because, as the minister himself has said, the act has expired. This is, if anything, a revival of the act. The act expired on April 30, 1962 and was not brought before parliament again. I think it is important first of all that we should make the distinction, because the government has had the opportunity both before the expiry of the act and since this house has been in session—and the session began more than two months ago—to bring legislation of this character before us.

I am sorry to have to tell the minister that because of the inaction of the government and its failure to introduce this bill in March or April of 1962 to further extend the Freight Rates Reduction Act, which had previously been extended on several occasions, the right of the shippers to the 8 per cent reduction in freight rates, and the subsidy of $20 million per annum to pay the railways for making that reduction in their rates, both expired on April 30, 1962.

I rather feel that the minister is not personally responsible for this delay; I am not going to attribute the inaction to him. Nevertheless, as the minister has said, the railway companies from month to month since last April have issued supplements to their freight tariffs reducing the nominal increase in rates to 8 per cent. What is now sought is legislation to require, first, the reduction to continue in effect to April 30, 1963; next, to deem that reduction to have taken effect on April 30, 1962, and, third, to make payments to the railways back to May 1, 1962.

The question which comes to mind immediately is this. What authority did the railways have to receive these payments? My submission to the committee is that the railways had no authority, notwithstanding the agreement they had with the government to make these payments, and that if they are made, if they do continue, they are not only illegal but they are unconstitutional. Since the act expired on April 30, the payments made to the railways are contrary to the law. Payments made under an act which does not exist cannot be anything but illegal in the circumstances.

I should like to pause here for a moment and examine the facts surrounding this resolution. On November 17, 1958, an application made to the board of transport commissioners by the railways to increase their freight rates was granted to the extent of 17 per cent in class and commodity rates, and pursuant to the Railway Act the provincial governments and others made an appeal to the governor in council under section 53 of that act. That appeal was dismissed. On that occasion it was the acting prime minister who made the statement disallowing the appeal, and I should like to read a portion of that

statement which is dated November 26, 1958. The acting prime minister, the hon. member for Vancouver Quadra, said:

> We consider that in future the railways and their employees must come to a definite agreement before a wage increase should be accepted by the board of transport commissioners as the basis for an increase in freight rates.

Then a little further on the minister said:

> The suggestion was made that these wage increases should be paid from the federal treasury.

I ask the committee to listen carefully to these words:

> We do not intend to embark upon a policy of subsidizing wage increases. There would be no end of demands on all governments if such a policy were adopted.

Well, that is exactly what is being done in this resolution which is now before the house. Notwithstanding the statement of the acting prime minister the government is entering upon a policy of subsidizing wage increases both indirectly and directly, as I intend to show with reference to an item we passed in the estimates a few days ago. Then the minister continued, according to this release:

> It is, however, recognized by the government that there are serious inequities in the present freight rates structure which have both contributed to, and been aggravated by, the system of horizontal rate increases. The government has already indicated its intention to move toward a solution of these problems.

Well, here we are, four years after this statement was made and so far the government has done absolutely nothing to move in the direction of removing the inequities caused in the freight rates structure. Although the report of the royal commission on transportation has been in the hands of the government, the first volume for a year and nine months and the second volume for over a year, no action has yet been taken by the government to remove these inequities about which we heard so much and for which the royal commission was established at the time.

Then the minister completed his statement with this sentence:

> The intention of the government is to provide both an immediate alleviation of discrimination where it exists, and a long term solution to the broader problem.

Thus far no alleviation whatsoever in that respect is in sight.

Then I compare that statement with the statement made on this whole question of freight rates by the Leader of the Opposition on November 27, 1958. I simply put on the record three points which he made at the time. He said:

> Three points should be emphasized at once. First, the wage increases for railway employees recommended by the conciliation board are reasonable. Second, we agree with the provinces' views that the board of transport commissioners ought not to be put in a position of ruling on wage problems which are not within the scope of its responsibility. Third, there are obvious objections to a permanent policy of federal subsidies specifically designed to finance wage increases.

Later on the Leader of the Opposition put on the record his view with reference to the matter.

I should now like, not to put it on the record because I have not the time, but to recall to the house the statements made by the Prime Minister during the campaigns of 1957 and 1958, wherein it was clearly stated by the Prime Minister that the government would move fast in order to do away with the injustices caused by freight rate discrimination. Just let me give the committee some idea of what the Prime Minister had in mind. At Saskatoon on February 13, 1958 the Prime Minister posed this question:

> "Did we act?" The government had "held up" a 3.8 per cent railway freight rate increase allowed by the board of transport commissioners earlier this year. "We said it could not at this time be justifiably brought into existence."

Then at Windsor the next day, February 14, 1958, the Prime Minister said:

> We said before we were in power that freight rates were unjustifiably high when raised horizontally. Did we act? When the board allowed an increase we held it up because it could not be justifiably brought into existence on the basis that the increase was provided.

Then again at Kelowna, B.C., on March 10, 1958, the Prime Minister said:

> The government has "more than asked" the board of transport commissioners to bring forward "at the earliest possible date" recommendations on equalization of freight rates to alleviate discrimination against British Columbia and the maritime provinces.

Mr. Balcer: May I ask the hon. member from what publication he is quoting?

Mr. Chevrier: I am quoting a report of the Canadian Press of a speech made by the Prime Minister at Kelowna, B.C., on March 10, 1958. That ought to satisfy the hon. member. Perhaps he prefers the colour of this one to the statements in 1958, but this is a Canadian Press report. The only reason I put it on *Hansard* is that the Prime Minister said in 1958 that something would be done immediately about this matter, and here four years later we are still at the same point as we were then.

Mr. Pickersgill: It is nearly five years.

Mr. Chevrier: My hon. friend corrects me very amicably by saying that it is nearly five years, and he is right in that respect. But I was going on to say that the Prime Minister was complaining that the board of transport

commissioners should bring in recommendations on equalization, and this very thing which the Prime Minister was asking the board of transport commissioners to do will not be done if the recommendations of the royal commission on transportation are brought into effect; because the freight rate structure which is recommended in the report will do away with the equalization that the board of transport commissioners has entered upon over a number of years.

Now I should like to put on the record one or two statements made by the Prime Minister during the course of debate in this house on an earlier occasion. On Wednesday, November 30, 1960, when there was under discussion in the house a matter affecting a wage dispute between the railway and its employees, the Prime Minister made this statement, as reported in *Hansard* at page 359:

> The reason we say we are waiting for the report of the royal commission is this. It will make its report as to the means whereby these discriminatory rates may be avoided. Legislation will then be introduced in order to equalize opportunity across Canada. The freeze will then be taken off and the railway companies may then make an application to the board of transport commissioners to raise the freight rates and to take into consideration the agreements now in existence between the employers and the unions back to January 1, 1960.

At that time the Prime Minister had in mind that the report could be brought in immediately and immediate action taken thereon, but such has not been the case. Later on I intervened in the debate to ask the Prime Minister this question:

> Would the Prime Minister permit another question. Does the hon. gentleman think the provinces will sit by and not object to applications for increases by the railway association?

The Prime Minister replied:

> Inferentially, as a result of a question asked the other day by the hon. member for Laurier (Mr. Chevrier), I concluded that that was the view of hon. gentlemen opposite then—

—namely, that subsidies should be paid in lieu of these wages. Then a little further on, on page 359, the Prime Minister said:

> There is a postponement because the action of the government to preserve the equality of all parts of Canada until equalization has been provided for as a result of the recommendations of the royal commission.

I repeat, in the light of that statement, that because of the recommendations of the royal commission it will not be possible to equalize the freight rates across this country, in the light of the work that had already been started by the board of transport commissioners at the time. Then on page 358 of *Hansard* the Prime Minister said:

> We have taken the stand that we shall not subsidize in this connection because to do so would simply mean that any time there is a dispute across this country with a national company involved which affected the public interest so greatly that a stoppage would paralyse Canada it would be known in advance that we would give a subsidy in order to prevent the Canadian economy being paralysed. We do not intend to follow that course.

I say that is exactly what is being done here. The Minister of Labour, on November 30, 1960, as reported on page 347 of *Hansard*, said:

> Some of those who have suggested implementation of the majority report have also suggested subsidies to the railways. The Prime Minister has clearly expressed the basic weakness of such action. Once such a course was embarked upon this might again provide an undesirable precedent. The dangers inherent in such a solution must surely be obvious. Such a course might well be an easy way out, but in time it would be the hard way of settling such disputes.
>
> In the case of the Canadian National Railways the taxpayers of this country are already being called upon to make up huge deficits. To require the Canadian taxpayer to subsidize the operating costs of the Canadian Pacific Railway Company would be setting a most dangerous and costly precedent.

This government, as the committee knows, compelled the men on the railways to go back to work without any settlement of this dispute, and notwithstanding the statement made by the Minister of Labour we find ourselves in a contradictory position so far as he and the Prime Minister, on the one hand, and this legislation on the other, are concerned.

The Minister of Transport himself is reported at page 5630 of *Hansard* on May 30, 1961, as follows:

> When the government brings forward legislation based on the MacPherson report it will then consider whether or not it will carry on with this program. The provision is for one year which actually ends on April 30, 1962.

This is the fourth extension to the present act, and it was clearly stated all along that there would be no subsidization for wages in this case. As I said earlier, in the passage which I have put on the record the Minister of Transport indicated what his views were. The first volume of the report has been in the hands of the government since March 1, 1961, and the second volume since December, 1961. The third volume has been released only fairly recently, but it contains a study of matters that are extraneous to those under discussion. I therefore repeat that notwithstanding the fact that this report has been in the hands of the government all this time, no legislation whatever has been brought before parliament to end the burden to the taxpayer. The taxpayer must continue paying this $20 million per year until such time as the government sees fit to implement the MacPherson report by legislation. This question is particularly pertinent as the royal commission on transportation recommends the

repeal of this act. Why this act is being continued is difficult for one on this side of the chamber to understand.

The other day the Prime Minister rose in his place to speak with reference to the Glassco commission report, and he did not hesitate to state that certain parts of that report would be put into effect at once. Although he himself, in the debate in 1958, stated that immediately the report of the MacPherson royal commission on transportation was brought down this government would act upon it, that is almost five years ago and the government has not moved. The only answer he could give the other day when the question was put to him was well, the royal commission report has to be implemented by way of legislation and that procedure takes some time. Of course it takes a longer time to implement a report by way of legislation than otherwise. However, my point is that the government has had this recommendation in its hands for almost two years, in one case, and that it has taken no action whatsoever.

The minister shook his head a while ago when I indicated that this was subsidization of wages. I put this question to him. Is this payment of $20 million not a subsidization of wages? After all, these subsidies mean that the taxpayer is paying the shot. He is being taxed for the shipper. The C.N.R. president stated that there was an agreement among the government and himself and the president of the other railway to this effect. However, in my opinion the government has no right to commit parliament to this amount. The government has not the slightest right, either legally or constitutionally, to commit parliament to an amount like this or a similar amount. What is the sense of perpetuating this legislation when the royal commission recommends the repeal of this whole act?

I come now to the question of direct subsidization when I refer to vote 590 of the further supplementary estimates, which were passed last year, and schedule C of interim supply which was passed this year, both of which were for the same amount and in the same language. I quote this language. The title is "Board of transport commissioners". The item is 213a of interim supply and 590 of the further supplementary estimates, and the language is as follows:

> Interim payments, related to the recommendations of the royal commission on railway problems, to companies as defined in the Freight Rates Reduction Act of an aggregate amount in respect of the calendar year 1962 of $50 million, to be paid in instalments at such times and in accordance with such method of allocation as may be determined by the Board of Transport Commissioners for Canada, as compensation to such companies for the maintenance of their rates on freight traffic at the reduced levels provided for pursuant to the provisions of the said act.

There is no doubt that as to this $50 million which was voted last year, and as to this two twelfths of $50 million voted the other day and another two twelfths which will be voted next week or the week after, which will amount to nearly $100 million, a substantial proportion of which money is going in settlement of the conciliation board award which was made earlier. The minister shakes his head and says no.

Mr. Balcer: You have been saying that for three years.

Mr. Pickersgill: It is just as true now as it was the first time.

Mr. Chevrier: If I have been saying it for three years, let me say that I am going to continue saying it until the minister proves the contrary. The minister has not established, certainly to my satisfaction, that it is not for that purpose, as it is clearly set out here that it is for that purpose. I ask the minister these questions.

Mr. Balcer: May I ask the hon. member a question?

Mr. Chevrier: Yes. I hope this interruption is being taken into account in the time allotted to me, as I am entitled to only 30 minutes.

Mr. Balcer: Is it not a fact that Mr. Justice Munro has settled the labour dispute between the railways and the railway workers with an increase, which means a further expense to the railway; and there is absolutely nothing in the present act indicating any increase in the amount that we are asking. If any wage increases that the railways are giving to their employees were reflected in this Freight Rates Reduction Act, there would be an increase over the $20 million. However, there is no increase whatsoever.

Mr. Chevrier: Let me point two things out to the minister. In the first place, by giving the railways $20 million to keep the reduction at 8 per cent—

Mr. Pickersgill: You mean to keep the increase at 8 per cent.

Mr. Chevrier: Yes, to keep the increase at 8 per cent, thereby preventing the railways from making an application to the board of railway commissioners for higher rates with which to satisfy the conciliation board report, I submit with deference that is the answer to the question put to me by the minister.

Then the next point is this. There has been another settlement since this one of 1960 which has cost the railways $30 million. Where is the money coming from in that

case? I think the minister owes it to this House of Commons to tell us that it is either coming from the $50 million, as I have suggested, or that it is contained in the deficit of the Canadian National Railways which this year amounts to some $67 million.

Mr. Balcer: It comes from the general revenues of the railways.

Mr. Chevrier: The president of the Canadian National Railways did not indicate that in the committee the other day when the question was put to him. Hence my contention is that the $50 million which is tied up with the Freight Rates Reduction Act raises a number of questions. The questions are the following. Is this $100 million, roughly speaking, when March 31, 1963 will have been passed, over and above the $20 million? Does this mean that the railways are going to obtain this $100 million plus the $20 million they get for a reduction in freight rates?

That is one question. Another question having to do with this $50 million is this. Is not some of it to reduce freight rates? Is not some of it to pay the cost of the conciliation board report which was made in 1961 but was also made retroactive to January 1, 1960? Is not a part of it to remove branch lines as to which the board of transport commissioners have been receiving applications from the railways already? Is not a part of it to carry on passenger services until such time as the railways can get approval of the board to reduce their passenger services?

I put this question to the minister. How are the railways going to be enabled to pay their employees the last settlement, which I am informed amounts to about $30 million? Where are they going to get the funds if they do not get them either from the $50 million which is in the further supplementaries or from this provision? Part of the C.N.R. deficit covers wages and part is to pay for the reduction in freight rates, that is the reduction in revenue due to reduced freight rates.

I think the minister has got to make his position clear on this matter once and for all. He has got to tell us whether or not there is a duplication between the $20 million provided under this legislation and the $50 million voted on a previous occasion in further supplementary estimates and the two twelfths of $50 million that was provided by way of interim supply. That is the first thing I think the minister should clear up in this debate.

The next thing is that he should tell us clearly what the position of the government is with reference to this legislation. Is it going to be repealed? Is the recommendation of the royal commission on transportation with regard to repeal of this legislation going to be implemented? When are we going to get these things? What is the government going to do with reference to the freight rate structure? For years members of this government attacked the previous government on account of the injustices, inequalities and discrimination caused by horizontal freight rate increases. They were going to do something about them. The Prime Minister said, "Did we act?" Of course he said "We acted at once". Five years ago he made the statement during the campaign, as well as four and a half years ago in the house, that as soon as the report was brought in legislation would follow immediately. No action has been taken by the minister or by the government or by parliament because of the fact that the government has not seen fit to act upon the recommendations of the royal commission.

There is a recommendation by the royal commission that the whole freight rate structure be scrapped. Is that the way in which the government is going to do away with discrimination? If it is, I think the house is entitled to know whether or not the whole freight rate structure is going to be scrapped and a new formula providing for a minimum rate plus a 150 per cent increase and a maximum rate is going to be brought into effect.

Those are some of the things which I believe the minister should clear up before this resolution is passed. On the principle of the resolution we take exactly the same position as we took on the earlier resolutions and bills, namely that we will support the legislation. But since this is the fourth time this legislation has been extended we on this side of the house were of the opinion that we could not support this measure without criticizing the government for its failure to do the things it promised to do four years ago, and which have not been put into effect thus far.

Mr. Leboe: Mr. Chairman, I only rise to say that it seems from the words of the hon. member for Laurier that the government has two speeds in connection with the MacPherson report, slow and stop. We are not going to take any time now because I understand that the bill is to be sent to the standing committee, and that will give us an opportunity to deal with it there. We just wish to say now that we are in favour of the principle of the legislation, but we would like to discuss the matter further when the bill goes to the standing committee.

Mr. Fisher: Mr. Chairman, a business concern that goes bankrupt is not necessarily disgraced, because there are always factors that tend to explain why someone is not able to make a go of things in a business way. But bankruptcy is the only word I can use to describe the situation revealed by the bringing forward of this legislation. It sticks

in my craw and in those of many of my colleagues that in this house we should lambaste a measure that is brought forward and then vote for it. This is one of the predicaments of opposition members. Yet both the temptation and almost a need to vote against a measure such as this are very strongly upon us at the present time.

When a minister brings any measure before the house there are a number of different techniques or ways that he can use. He can be completely honest and candid in revealing the details, history and purposes of the legislation. Within that mode he can use subterfuge or a pleasant manner or many other ways in order to get the agreement of the house to the passage of the particular piece of legislation. In a nutshell, Mr. Chairman, it is our feeling that this piece of legislation reflects the bankruptcy and disgraceful lack of policy of this government in connection with transportation as a whole and the railways in particular.

We feel that some of the points raised by the hon. member for Laurier are relevant, although I think perhaps he overdid the question; because in my view it is irrelevant whether the subsidies under this legislation go directly into wages. I think the answer there is that the wages come out of the total revenue position of the railways and that is that. There is no doubt in our minds that originally the Freight Rates Reduction Act was designed to meet a specific problem. The scale of the bankruptcy has been revealed repeatedly in the fact that the government has not come to grips with a single problem relating to railway transportation. The very enormity of their failure can be seen in the lobbying to which I think every member of the house is being subjected at the present time by the trucking industry in relation to the recommendations of the MacPherson report and in relation to legislation such as this.

The bankruptcy of government policy is revealed in the recently published volume three of the studies of the royal commission on transportation. When the government appointed the commission it was made very clear that no matter what part of railway problems the commission might delve into there was one area in which they should make no recommendations because the government was setting that aside, and that was the question of the statutory grain rates. The other area that the commission decided at its very first hearing that it was not going to touch and with regard to which it would make no recommendations had to do with the labour wage structure. Therefore right at the start the commission began with impediments to arriving at a really clear answer to the transportation needs of this country.

Nothing is more laughable, having regard to the kind of jackpot the government has got us into, than to look at some of the titles of the articles in the third volume of the report of the royal commission on transportation. I think every member is entitled to that volume. I should like to point out, for example, that there is an article by one of the chief advisers to the commission, Mr. D. H. Hay, on the problem of grain costing. There is another long section by E. P. Reid on statutory grain rates. We have a long article, from which I hope to read some quotations, by Mr. A. K. Eaton, a well known figure in Canada on tax questions, and not too long ago he was an adviser of the government. It is entitled "Comments on Proposals by Canadian Pacific and Canadian National Railways regarding statutory and related rates on grain and grain products in western Canada."

I know the experts on this commission sat down to settle some of the problems in relation to railways, but they could not get away from the statutory grain rates because so much of the evidence pouring forth from the railways and provincial groups from the west related to statutory grain rates. Where does this government stand in that respect? We have the statement by the Prime Minister at the time of the setting up of the MacPherson commission that these rates were to be outside their recommendations, but the consequences of those recommendations must be viewed in relation to the statutory grain rates.

The paradox is that even with the MacPherson royal commission report, for which we have waited so damnedly long, we have no true policy from that commission and we have no indication at all that the present government is going to implement an over-all policy. We have volume 1 of the report which contains the main recommendation, and the government has been a darned long time considering it. How else can one describe such a situation except in terms of bankruptcy of policy and ideas? I would almost go so far as to say bankruptcy in terms of ability to meet the problem and the incapacity to come forward with any kind of clear statement on transportation policy.

This is much more than just a question of freight rates in this specific case. It relates to inter-relationship of the Canadian Pacific and Canadian National Railways in air competition and competition with long haul trucks. The whole matter is tied in with passenger problems and this ties in with air competition between T.C.A. and C.P.A. lines.

It takes us right into the whole question of the responsibilities that railways should be asked to assume in relation to automation and its impact upon declining railway communities.

It takes us into the most difficult problem of wage policy, and there is not any more despicable situation than the kind of pressure that is developing, and has developed for the last decade, with regard to railway wage policy, where you have the management of the railways damning the unions and the unions damning the management, and all sides coming to Ottawa to pressure the government, with the result that we get these ad hoc, temporary measures to meet the situation. This is an example of it right here and no one gains from that kind of situation.

We just have the continuation of confusion, and I can illustrate that confusion very well in relation to my own community. We happen to be on the bridge between western and eastern Canada, and freight rates have always been a consuming interest to the business, industrial and union people in that area; because transportation was the basic reason for our existence, to start with, and is still a substantial part of our economy.

Quite frankly, the unions have committees and so has the chamber of commerce and the development association, all trying to understand the transportation policy and the freight rates policy of the government. We do not know whether we are coming or going. All I can say to the minister, much as I admire him personally, is that he has given us no lead to take us through this maze or labyrinth of confusion in the transport situation.

I remarked earlier, Mr. Chairman, that it sticks in the craw to challenge the government and then to vote for something it puts forward; but I can say we will be spending a considerable time when this bill reaches committee stage in order to find out more about the government's policy, not on this specific bill but in relation to the larger questions, some of which were raised by the hon. member for Laurier.

The last time this bill was before a committee and was considered in detail, Mr. Knowles was alive. He was the freight rates expert of the board of transport commissioners and we spent a long period questioning him. We had witnesses from the Canadian trucking association and many other interests. I would hope the board of transport commissioners would come up with someone as ready and willing to give evidence as Mr. Knowles was, and that we can question him in such detail.

I want to know if the minister plans to bring Mr. Scott of his own department before us, as I understand he is a railway transportation expert. I would like to have him examined because he may know something about the government's railway policy. I would hope we would have a chance to examine Mr. Scott in regard to the bill, and the relationship of the bill to the larger question of whether it is a duplication of the subsidy of $50 million that the government has awarded to the railways as a result of the recommendations of the MacPherson commission.

I would also like to see the question put to the newspaper editorial writers who are convinced that this parliament and previous parliaments have been incapable of acting. I would like those people to examine the question how they can really expect action from a government that has frittered and fooled with this particular topic since November 1958 right up to the present time, with a royal commission that sat for years and produced big fat volumes, with government promises of what it was going to do, and yet here at this late stage we are being asked to do something about a situation six or seven months after it occurred.

You can always have the excuse that the election intervened; but that is no real reason. The election was called in April and the bill seeks to bring up to date something that was going to die in April. It is a disgraceful example of putting in time, and of not coming forward with any constructive policy in the total transportation picture.

The hon. member for Laurier has raised the question as to whether the payments, which have apparently gone forward, are illegal or not. I do not know whether they are illegal or not, but it is quite apparent from the analysis that the minister gave us, back on May 30, 1961, that payments really have gone forward. I do not know whether they have gone on spec or not, but I would like to put this on the record in relation to them. This is what the minister said, as recorded at page 5628 of *Hansard* for that date:

> —the shippers will not lose anything because both railway presidents wrote a letter a few days before April 30 stating that they did not intend to file tariffs to bring this increase to 17 per cent back into force. Thus, the shippers carried on business and continued shipping at rates which were the same as the rates which had been reduced to 8 per cent by the previous bill amending the Freight Rates Reduction Act. The reason why the railways will be in a position to recover the amount which might be lost to them on account of the delay in the passage of the bill is because after the end of each month there is a time lag of two or three months before the companies are able to process and submit their bills for that month's traffic. Consequently, bills for March and April, for instance, have not yet been received.

The same applies to the month of May. Once the board receives the bills and issues an order, then they can be paid.

I would assume that the board has long ago received the bills for the months of May, June, July, August and September. And the question arises as to whether the railways have had payment or not, and I would assume they probably have had for at least two months of that period. The question as to whether they were illegal or not, is one for a Philadelphia lawyer to determine. I do not think it is a critical question but we shall have to look for some assurance in connection with it.

The question that is in our minds, because we are critical of the government for continuing this palliative instead of coming forward with a clear national transportation policy, can be put in its proper position by some points made by Mr. Eaton in his article for the royal commission on transportation, dealing with tax problems. He is talking about the western grain rates, and from there he leads into what I think is a criticism which can certainly be applied to the government.

He says:

The balance of argument is so strong today in favour of shifting the burden of this national policy commitment to western grain growers over onto taxpayers generally that probably only headings for the case need be presented here.

(a) The competitive position of the railways vis-à-vis other forms of transport becomes increasingly untenable. The basis upon which they can recoup losses forced on them by statutory limitations inevitably becomes narrower and the distortion of "normal" rates on this account becomes increasingly severe and intolerable.

(b) It is palpably unwise economically for Canada, with such a high stake in export markets, to add in any way to the transport costs of export industries generally by shifting to them a part of the cost of assisting the grain export trade. Likewise this is quite unfair.

(c) Even in the absence of a competitive problem, leaving aside also the important aspects of export trade generally and even assuming a strongly inelastic demand for railway services, it still would not make good sense in a country such as Canada, where geography so hampers national economic development, to distort normal forces determining the location of industry by giving such a high degree of relief to one section of the economy and charging it as an expense against all others. This exaggerates existing national problems. For example it must have the effect of blurring somewhat the vision of expanding northern development.

(d) Finally, as a matter of simple logic, if the public generally are to be called upon to support what is essentially a political policy of continued assistance to western grain growers—and it appears that they are—then the public generally, as taxpayers, should bear the cost of this policy. The mere fact that the policy of assistance in this direction happens to take the form of transporting grain products below cost should not mean that transport costs of others in the economic community should be correspondingly inflated in order to recoup losses.

[Mr. Fisher.]

The above four points, it is believed, build up to a pretty strong case for a rather drastic departure from the status quo. The proposed shift in burden is a quite striking corrective of a situation that through the years has had to get worse before it could get any better. It is understandable that in the relatively simple and uncomplicated days of decades ago the freezing of rates for the grain trade seemed a very sensible and satisfactory way of dealing with the problem. However many things have happened in Canada in the meantime, and a rather lusty flock of chickens has come home to roost. Not least of all the things that have happened is a very fundamental change in the basic philosophy of government. It has changed markedly from what it was even two short decades ago. Governments today take upon themselves full responsibility for the state of the economy. They presume to be responsible for all phases of the economic health of every industry. They take credit to themselves for full employment, prosperity and expanding capital investment when occasion permits them to do so and the opposition at the same time forever attempts to pin on them full blame for all the economic ills and deficiencies, including acts of God that we fall heir to.

That last sentence, of course, reflects the predicament that we have here. The government has accepted the responsibility and the duty of a national transportation policy and a national railway policy and we, as the opposition, are here trying to pin upon them their failure in this regard. Repeatedly this government has taken responsibility for working out such a transportation policy. We say that it has not got anywhere in doing so, and to bring this measure in at this time, a palliative six months late, is an insult to this House of Commons and to the country as a whole.

For that reason, Mr. Chairman, we are certainly reserving any commendation we are going to give this bill until we find out more in committee as to what the transportation policy of this government is going to be. I can only repeat the word I have used so often in these particular remarks; we have a bankruptcy of policy and ideas, and nowhere is it better revealed than in the measure before us. Later on in this discussion some of my colleagues will be making remarks particularly in relation to specific regional situations. We feel that this act, as one we have supported before, may merit our support again. After all, it provides something for the shippers who ship upon the railway. But the time at which it is introduced, the manner in which it is introduced, its relationship to the tremendous gaps in a general policy that this government should have are, we consider, a very deep disgrace.

(Translation):

Mr. Legare: Mr. Chairman, I have a few remarks to make about this resolution, because the matter of transport rates is, in my opinion, closely linked with the success of any undertaking.

Perhaps it might be a good thing to consider having the lower St. Lawrence area benefit from the preferential tariffs enjoyed by the maritime provinces.

One way of achieving that objective perhaps would be to decentralize the C.N.R. administration in establishing at Mont Joli a sub-office which might serve the whole eastern Quebec area, which is now managed by the Moncton or Campbellton office, that is to say all that part of the railway extending from Levis to the eastern tip of the Gaspe peninsula, as well as a railway line linking Rivière du Loup and Edmundston, and all that part of the C.N.R. which crosses the south of the province of Quebec.

The C.N.R. would thus be at the door of two new areas which might perhaps bring them an interesting business in the near future, if ever the C.N.R. decided to build a line from Matane to Ste. Anne des Monts. All that business ends up at Mont Joli. Furthermore, since there is a water transport service between Pointe au Pere and Baie Comeau, the whole north shore area—an immensely rich area—would be open to the C.N.R. railway line.

You would have there a whole category of patrons who might add their numbers to the usual C.N.R. patrons.

I consider Mont Joli as a railway centre which, for quite a long time—I cannot remember for how many years—has been administered by the neighbouring province. With a sub-office in the lower St. Lawrence area, and more precisely at Mont Joli, perhaps the patrons in a position to use that service might do business with employees speaking the language of the majority of them.

Regrettable instances often occur. I do not wish to mention them all but, not long ago, four company officers who were sent to Mont Joli in order to give instructions to a group of personnel and who did not speak French, had to communicate through an interpreter with the employees in that district of the province of Quebec, extending from Gaspe to Levis.

There are other similar instances that I could quote by the dozen. But I will simply insist, once again, that the Canadian National Railways decentralize their administration eventually and set up a sub-office in the lower St. Lawrence district, which would serve over 400 miles of railroad.

(Text):

Mr. Howard: Mr. Chairman, my remarks with respect to this matter will be in somewhat the same vein as those expressed by the hon. member for Port Arthur. This particular problem involving the Freight Rates Reduction Act and what it has sought to accomplish is only one of many problems concerning railways which have been with us for a long time. It has been before us now for some three and a half or four years. In seeking to express his feelings about the government with respect to this matter, my hon. friend from Port Arthur was somewhat at a loss for words. Perhaps the phrase he was looking for was "lack of visceral content on the part of the government." They have been dilly-dallying with this matter year after year, hoping, like an ostrich, that the problem will go away if they wait long enough. We have already authorized $50 million, I understand, to be paid to the railway companies under the Freight Rates Reduction Act and the resolution before us asks that this amount be increased to $75 million which is, I think, a fair amount of the taxpayer's money to be tossed around.

This act was introduced originally, as I understand it, to subsidize a wage increase which took place in 1958 or 1959, and it was meant to reduce the increase in freight rates which was then authorized from 17 per cent to, it was hoped, 10 per cent, though subsequently it was lowered to 8 per cent. We were offered at that time the possibility of a long term study of the whole question of transportation. In 1960 or 1961 the act was further amended and extended. The reasons given then were that a royal commission was considering this question and the government wanted time for the commission to complete its studies. Presumably, this further request for an extension comes because the government wants time to consider the reports of the royal commission, perhaps attaching its desire for further delay to the fact that volume 3 of the report of the MacPherson royal commission was not made public until the summer of this year—I think it was July or August. In fact, however, the substance of the recommendations of that royal commission is contained in volumes 1 and 2. Volume 3 is merely a compilation of the studies upon which the recommendations in volume 2 were based. I do not have volume 3 before me, but the frontispiece says that the commission takes no responsibility for the material contained within it and hinges its entire case on volumes 1 and 2.

As has been pointed out, the government has had volume 1 of the recommendations in its hands for some 21 months, since March, 1961, and it has had volume 2 in its posses-

sion for almost a year. In fact, it is a year this month since volume 2 of the commission's report was made public, according to the date on the cover. Surely, if the government is capable of rushing to embrace the report of the Glassco royal commission within seconds of its being printed, as it did the other day, then a year or a year and a half is ample time for it to decide what it intends to do with regard to the first two volumes containing the recommendations of the royal commission on transportation. It is time we began to express some doubts—and I express them—as to whether we can continue blindly to support this concept of pouring millions of dollars into the coffers of railway companies because the government cannot make up its mind.

It is true the payment of these sums has a beneficial effect on the employees of the C.N.R., on shippers, and so on; but to ask parliament blindly to authorize this procrastination on the part of the government is asking too much and I doubt whether I want to support a policy of this sort. I think other members of this committee should have the same attitude. Possibly, by expressing such doubt we can push the government into reaching some definite conclusions instead of continuing its present weak-kneed and spineless attitude toward this question—pushing it aside into some dusty drawer, hoping people will forget about it while we continue to pour this money down the drain.

Half of this money goes to the Canadian National Railways—and I am not sure of the exact figure but I think it is about half. I doubt very much whether the minister should come before this parliament and ask us to authorize a payment of a subsidy of this sort to a crown corporation when the actions and attitudes of that railway are such, in many instances, as to promote the interests of the C.P.R. This has happened in Alberta where the Canadian National Railways have made decisions which are beneficial to the C.P.R. The C.N.R. has pulled out of certain fields of activity solely to promote the interests of a private corporation, and we are being asked to endorse that sort of sellout to a private company by a corporation headed by Donald Gordon, a man who is supposed to be working in the public interest. I refer to a circular dated March 7, 1961, which is a reissue of a circular dated December 1, 1960. The file number is DT-914. This is a circular of the Northern Alberta Railways Company and it says:

All Agents:

We have been advised by Canadian National and Canadian Pacific Railways—

As follows—I am about to quote one instance.

[Mr. Howard.]

Cars of Canadian Pacific ownership must be loaded to competitive stations such as Vancouver, Lakehead, Calgary, etc. Specify C.P. cars on your daily yard report.

This is the decision of the Canadian National Railways, that when they are shipping over lines of the N.A.R., all freight being shipped to stations served competitively by C.N. and C.P. will be shipped in favour of Canadian Pacific, so that Canadian Pacific will get the cream of the shipping to competitive points. What sort of attitude is that for a crown corporation to take? When it comes to exclusive C.N.R. stations they have not got much choice. They spell that one out, however, in this way:

Cars of Canadian National ownership will be supplied for exclusive C.N.R. stations such as Prince Rupert and Transcona.

Then the circular deals with cars to be used for lumber, logs and plywood. Again, favouritism is shown to the Canadian Pacific by the C.N.R., by a crown-owned corporation headed by a belligerent and arrogant banker who should go back to banking. It states:

Canadian Pacific cars will be supplied for lumber loading unless otherwise specifically requested by the shipper.

Again, we see favouritism being shown to Canadian Pacific in shipments of lumber on long hauls which are more lucrative than short hauls, as far as plywood and similar materials are concerned. On the short hauls, Canadian National will haul this freight. On long hauls carrying pulpwood to the United States, Canadian Pacific cars are to be used, 52-foot gondolas to be supplied. This document is signed by W. G. Dunlevy, chief despatcher, and copies are sent to a number of people.

These are not isolated instances. We are being asked to pay public funds into the hands of the C.N.R. at a time when it is selling us out, and I think that is a little too much to ask of this particular party.

While we are on the subject of the C.N.R. and the amount of money it is to receive under this bill, perhaps we could concern ourselves about the management of that railway and, specifically, about its president. Words have been expressed on previous occasions about improvement, expressed not entirely from within this chamber; but certainly it is reasonable that if this discontent exists there is some reason for it, and I have just cited one example.

This is not the time or the place to go into the attitude of the C.N.R. or Mr. Gordon's attitude with respect to passenger traffic and the like, although we could validly argue that point. However, I understand a petition is being circulated by French-speaking members of this house asking for the appointment

of more people of French background and culture to the management of the C.N.R. I am sure the Minister of Transport has not signed that particular petition, but it might give some push to it if he has, or has been asked to. But quite frankly, I think the promotion of a petition of this sort is a step in the wrong direction. I do not think it serves any great purpose at this time, not that I concern myself at this stage with whether or not the petition is justified. This sort of activity is taking place when we should be concentrating our efforts at this time on a better and more efficient management of the C.N.R., especially from the presidential point of view. We should concentrate upon that and not get involved in these other issues, important as they might well be. Burning Donald Gordon in effigy, as happened last week in Montreal and, as I understand it, also having burned the red ensign, is not in good taste or a decent sort of thing to do, and it tends to detract from the worthwhileness of the approach of those in this house and elsewhere who would like to see a change in management on the Canadian National Railways.

The hon. member for Port Arthur went extensively into the need for enunciation on the part of the government of some clear, sensible, fair, transportation policy, and I think this is where we should be directing our attentions. While the bill which will be founded on this resolution will be going to a committee, I think that committee should delay any action or report until we get a clear indication from the government as to what it intends to do about the report of the royal commission on transportation; what its policy is with respect to all the matters raised therein; what it intends to do about the question—a pretty large and broad one which has been posed on a number of occasions—of a merger of the C.N.R. and C.P.R. into one large trans-continental railway system in Canada; what it intends to do about what is undoubtedly going to occur as a result of this government action, namely both T.C.A. and C.P.A. running to the government asking for subsidies to help each of them; and what it will do about the question of coastal shipping and the like. They are such important questions that I think when the committee gets the bill founded on the resolution it should delay action and delay any report on it, and put it aside until we get the minister and other cabinet ministers before the committee to tell the committee what the government intends to do with respect to the whole transportation question in Canada.

Mr. Pickersgill: May I ask the hon. gentleman a question?

Mr. Howard: Certainly.

Mr. Pickersgill: Does the hon. gentleman think that it would be any easier to get a statement like that out of this government than it would be to put humpty-dumpty together again?

Mr. Howard: I am not involved in this field of glueing eggs together, but I am sure that we would have as much success in getting an enunciation of policy out of this government as we would have had in getting one out of the government which preceded it.

Mr. Pickersgill: Has the hon. gentleman a policy of his own?

The Deputy Chairman: Order.

Mr. Gray: Mr. Chairman, I have to thank you for inadvertently combining the ridings of Essex West and Skeena, because actually that is the theme of my brief remarks this afternoon. That is to say, I suggest that the bill based on this resolution should contain measures to bring the area of south western Ontario and British Columbia closer together economically. In other words, the bill should contain measures to remove existing inequities and unfair discrimination in freight rates which presently mitigate against the proper economic development of south western Ontario in general, and Windsor, Ontario, in particular.

May I suggest, Mr. Chairman, that this situation exists today in this way. Shipments, for example, from Windsor to Halifax are computed on a mileage basis. But when we come to the movement of goods to the west from Windsor,—Windsor's geographical location and its favourable mileage in moving to the west as compared to other parts of eastern Canada, we find, are unfortunately completely ignored. On a short line basis through the United States, Windsor is only 988 miles from Winnipeg, and yet shipments of freight moving from Windsor to Winnipeg are charged on a mileage rate basis from Toronto of 1,231 miles. In other words, in spite of the closer geographical location, Windsor shippers pay the same rates as shippers to the west from Toronto and Montreal. The effect of this is to discourage industry from locating and remaining in the Windsor area.

I suggest that measures to remove these inequities in freight rate charges should be contained in the bill which will be based on this resolution. Our freight rate policy should certainly be part of a policy of regional economic development to prevent certain areas, such as the Windsor area, from continuing to lag behind the rest of Canada, and from continuing to be areas of chronic unemployment. It might be suggested that this is something which the board of transport commissioners

can deal with, as the Minister of Labour attempted to suggest to a delegation of mayors and reeves who put this point before him several days ago. Unfortunately, it has been discovered, as my colleague the hon. member for Essex East has pointed out, that the board of transport commissioners does not have the jurisdiction at the present time to make the adjustments to which I have referred. These adjustments can come only through laws passed in this parliament of Canada. Therefore, I urge most strongly that the bill which will come out of this resolution should contain specific measures to remove the inequity to which I have referred, so that southwestern Ontario and Windsor can once again begin to contribute in a constructive and positive way to the development of Canada.

Mr. Balcer: Mr. Chairman, I just want to say that on listening to the hon. member for Port Arthur I certainly agreed with what he said. He said that at the present time the railways in Canada are in a very difficult position, that they are in a sort of straitjacket and that we have to do something for them. He said that we have to come out with a national transportation policy and a national railway policy. I agree with him on this point. We have shown also that we are very conscious of this problem.

When we took office the railways were experiencing some very difficult times. Since then we have tried to help the railways. We have tried to come out with something that would not only be a stopgap; we want to come out with something which will settle railway questions for many years to come. That is why we have appointed the MacPherson commission. Of course, I am just as disappointed as are other hon. members that it took that length of time to make this exhaustive study, but I am quite sure that the results of this extensive study will prove that all this work and time it took was well worth it, and the matter will be settled for a long time.

As hon. members know, at the present time the government is very actively engaged in preparing this legislation as a result of the recommendations of this MacPherson commission. We have it so stated in the MacPherson report. As Minister of Transport I have the opportunity to repeat this pledge of the government to bring in legislation on this matter of the MacPherson report at this session. My hon. friend from Laurier and even the hon. member for Port Arthur, every time we bring in any legislation about transportation, always accuse us of dealing in a piecemeal fashion with transportation. Especially with regard to railway matters, we wish to bring forward all-embracing legislation that will settle this question for a long time. When the MacPherson reports came out, both of them were praised by the experts, by the railways themselves and by the railroaders in other countries. I am quite sure that we shall have something that will stand for a long time. However, I can assure the committee that this is no easy matter. It is one on which a great deal of expert advice is needed in order to prepare this legislation. However, I can assure the committee that it will be ready for this session in accordance with our pledge.

The present bill, of course, is simply an interim bill. It is a bill that was first moved as something in the nature of a stopgap measure or a roll back measure, as we called it at the time, in order to make sure that one part of the country or one group of shippers would not be hurt to the advantage of other shippers. At that time we had the system which was permitted to grow under the old regime, our predecessor, under which every once in a while there were new increases in freight rates, with the resulting anomaly that the real core of the problem was never touched. The freight rates were always growing and growing. When this government took office it decided to really go after the problem. That is why we called on the best brains in the country on this matter to get together and to come out with an all embracing policy.

The MacPherson commission report is an extremely interesting document. At the present time I am not in a position to say what our legislation will be. However, I can assure my hon. friends that it will be brought forward at this session of parliament. My hon. friend from Laurier asked a few questions which he has asked in other years on similar bills. As we all know, this $20 million was a roll back subsidy to make sure that the increase of 17 per cent allowed by the board of transport commissioners would not come into force. We compensated the railways with $20 million a year. This is the same thing as we have had in other years. He still comes forward with the same argument, that this is a wage subsidy. I still say in the name of the government that it is not a wage subsidy. Whatever wage increases have been given by the railways, since the first Freight Rates Reduction Act, were paid out of the general revenues of the railway. On the other hand, this subsidy was absorbed by the railways themselves. I think we can argue for years on the matter and never settle it. However, I can assure them that this was a subsidy that was well planned. It was to look after this increase of 17 per cent in freight rates and roll it back to 8 per cent so that it would not

break the back of the shippers while the government were awaiting the report of the MacPherson commission.

We are going to have an all-embracing railways transportation policy. What is suggested by the commissioners is a very revolutionary solution and it creates tremendous changes in the industry itself. We must remember that in Canada we have 89,000 different freight rates. That figure gives you an idea of what the problem is. I am quite satisfied that this resolution and the following bill will help in the solution of this problem which we have inherited and which we definitely wish to settle.

Mr. Peters: We are very pleased to hear the minister say now that an over-all transportation policy is to be introduced at this session of parliament. I believe he is for the the first time being very optimistic in making the suggestion, particularly when he says that the bill is not ready for presentation because of several things that he assumes may or may not come to pass. The fact that he makes a suggestion and also that the throne speech this year made mention of some solution to the transport problem in general as it flows from the MacPherson report is certainly something worth while to look forward to.

Before we pass this legislation I believe we should have had some indication of what the solution is to be and I would think seriously, as an interim program, there should be a reassessment of this particular act. We were told in 1958 that this was an interim report. It was a report to help subsidize the wages where the railways were asking for an increase in their freight revenues to cover a wage increase. However, Mr. Chairman, I have not yet heard how much of an increase was necessary to put the conciliation report of that day into effect and how much the reduction in the staff of the railways in Canada has resulted in a decrease in the labour and the wage costs to the railway. I believe that this decrease has been very substantial.

I am always shocked when I talk to railroad people who have no interest whatsoever in the future of the railways because they are being completely disillusioned by the fact that they are working for an agency, whether it be the C.P.R. or the C.N.R., the continued existence of which is not certain. I have asked a large number of employees how long they have worked on the railroads, particularly those who told me they had just returned from a long period of unemployment. I find that many of them have seniority ratings of 8 years, 10 years, 11 years and 12 years. I suggest that people who have worked in an industry for that length of time and who are finding themselves subject to long and costly lay-offs will no doubt find that their morale, as far as their employer is concerned, is very limited and that their feeling towards that industry is much less sympathetic than it has been.

If the minister came before us and told us that there was some desire to integrate the services being provided by all the railways in Canada, that the elimination of some of these railways would be considered, that we should be able to give to the workers of Canada an assurance that those who were left in the railway industry would be assured of jobs for a considerable period of time so that some stability would be brought to those people then I would be agreeable to voting for this interim extension that is brought before us today. These are not small sums of money, Mr. Chairman. It seems to me that if we paid the workers who are going to be laid off anyway these large sums of money, we could have them on the government payroll whether they worked for the railways or not. This might prove to be a much more sensible way. It seems to me that any government that fails to realize the problem that has developed in this country because of the two lines duplicating services and as the hon. member for Skeena pointed out, in some cases not duplicating them but shifting them on to another railway, is only bringing us closer to the day when a decision of a very drastic nature is going to have to take place.

When I read the reports of the proceedings of the committee I am always surprised at the way in which the president of Canadian National Railways deals with the other aspects of railroading involving the truck companies the railway has bought, the contracts they let to private trucking concerns and the operations of the trucking agencies that they own, lock, stock and barrel. He always says that they have not been in this business long enough to find out how the rates for this type of service compare with their other methods of transportation and whether or not this trucking venture has been a success.

We have a responsibility to the Canadian people, Mr. Chairman. It is quite all right to say that we will provide this subsidy now on an interim basis and come to some solution later. But this has been going on for a long time now and I will tell the Canadian people that they are not going to gain anything in the transportation field by going back to the party that was in power in this country for many years. With a minority government it seems to me that there is a wonderful opportunity now for the government to sit

down honestly with the other three parties in a committee, bring forward all the proposals that have been made and come to some conclusion.

As one who belongs to a party that over the years has felt that much good can come from the nationalization of some of our public services, I might find it wise to ask whether we should not try to sell the Canadian National to the Canadian Pacific. In fact, I wonder whether it might not be cheaper to give the C.N.R. away because with one railway in this country operating without subsidies we would at least be able to find out whether the railway transportation system of this nation was being operated in the interests of the people.

What we really want to provide is a reasonable transportation service that will meet the needs of the people and do so as effectively as possible. It is obvious, because of the needs of the railways, their repeated trips to Ottawa to make representations and the many subsidies we have to provide, that the railways today are not meeting the needs of the nation. I believe that many areas have been well served by our railway system. I believe we have to face the problem in western Canada brought about by the abandonment of lines in a haphazard way which has produced nothing but sorrow for the people who have been dependent on those lines. It is true that we should expect to be able to go to the board of transport commissioners, those holier than thou people who are supposed to represent the Canadian public, and get some assurance that they are going to act on behalf of the Canadian people and will come to reasonable and sensible decisions; but in that regard I come back to the example I used the other day. The management of Canadian National Railways has changed the schedules on the transcontinental line in such a way that they will have no travelling public on that line, and I suppose they have done so in order to bring an application before the board of transport commissioners in the near future for the abandonment of the service. I can tell hon. members and the board of transport commissioners that in two weeks the railway has already succeeded in accomplishing its aim, and they might as well make their application to the board now as wait for another two or three months.

We have a responsibility to the people of Canada, a responsibility not only to provide a freight service but also a passenger service. The one cannot be divorced from the other and consideration of the one has to take account of the advantages of the other. I think it is time that some people realized this. The Minister of Transport may not be aware of it but there is not a month goes by that Canadian National does not increase its staff at the top level. I can name quite a number of officials in the North Bay division who were never there before. During the war there was not one day when there were not many thousands of cars went through North Bay. At that time there was no stationmaster, no superintendent and nowhere the number of other officials they now have when there is hardly any traffic and nobody for these officials to look after.

It is the responsibility of the people of Canada, my responsibility and that of every member of the house to do something about this situation and see that we get value for our dollars. I suggest that we should stop making these payments to the railway until they become a little more honest with us and not simply make a hodgepodge of a presentation to the committee and suggest that the committee go into rates. It has been said that there is not a man in Canada who can sort out the tariff rates in the freight rate structure. It is a fact that officials have been brought from the United States to help the Canadian National and the Canadian Pacific make their freight rate presentations.

It seems to me that we should decide first what we want our railways to accomplish, and I think the suggestion made by the minister, the member for Port Arthur and the member for Skeena that we develop a national transportation authority to go into the whole problem is long overdue. Rather than bringing this piece of legislation forward the government should set up a committee. I would be quite happy if such a committee sat morning, noon and night working toward the goal of developing a unified transportation service for Canada. We need a transportation authority. We need the railways in this country. We have not progressed to the stage where we can do without our railways.

It is quite true that there is talk now of sending bulk packages through pipe lines. In the *Western Producer* of Thursday, November 22, I noticed that the Alberta research council had announced that they had made their first full scale test of the technique of sending solid objects through a pipe line. This may be one of the things we are going to do tomorrow and it may be something that should be considered by the committee and by an over-all transportation authority. It is quite possible that we will be shipping grain through a pipe line by compressed air in the near future and this may be a good method. Certainly I am not wedded to the idea of railways. I am not completely divorced from the idea that maybe we should never have

introduced diesel locomotives because at least with the old steam engines we were employing people. Everybody knew how many cars were going to be attached to a train and they knew that at least a little of the coal to operate those engines was going to be produced in Canada by Canadians.

I am not suggesting that we should turn back the pages of time, but are we not doing just that every time we ask for a subsidy for Canadian National Railways in order to allow the Canadian Pacific Railway to maintain freight rates that will permit unfair competition and let them show a profit while you and I and the Canadian people have to carry the terrific deficit of the C.N.R.? I think that now is the time to look at this problem. The minister has suggested that he is going to consider it. All I am asking is that he speed up his timetable and that he look at it before he brings in the bill which this resolution precedes.

In a political sense I am not in a position and most people in Canada are not, I think, to say what is the over-all solution. However, I believe that if a committee were set up to work on the problem strenuously and if all those involved in the transportation field would come to Ottawa and co-operate with the committee, in a matter of a few months that committee would be able to arrive at a policy. In that regard we must consider the fact, as the minister pointed out, that such a committee would have the great advantage of having the benefit of the work of the MacPherson commission which in the last few years has looked into this problem from almost every aspect. They have made a limited number of recommendations, but I think they have assembled enough information to make it possible for us to develop a program that would provide us with an up to date, modern transportation authority capable of transporting the goods we are producing and the natural resources coming out of our mines, forests and farms. Such an authority would also assure people working on the railroads and on other forms of transportation of guaranteed jobs for a certain period of time.

This feeling of insecurity about jobs is a most serious problem. There are few people working on the railways, whether it be the C.N.R. or C.P.R., who really care about their jobs because of the fact that they are not sure whether they will still hold those jobs a day or a year from now. May I call it five o'clock?

The Deputy Chairman: It being five o'clock it is my duty to leave the chair in order that the house may proceed to consideration of private members' business pursuant to section 3 of standing order 15.

Progress reported.

Mr. Speaker: The house will now proceed to consideration of private members' business as listed at page 29 of today's order paper, namely notices of motion.

UNEMPLOYMENT INSURANCE ACT

SUGGESTED PAYMENT OF BENEFITS TO FARM LABOUR

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale) moved:

That, in the opinion of this house, the government should consider the advisability of amending the Unemployment Insurance Act so that seasonal farm labourers would receive benefits similar to those paid at the present time to seasonal fishermen.

He said: Mr. Speaker, on rising to speak on my motion to amend the Unemployment Insurance Act so that seasonal farm labourers would receive benefits similar to those paid at the present time to seasonal fishermen, I would like to direct your attention to the word "seasonal." The reason I have used this word is because I think the labour force on the prairies is mostly seasonal, in contrast to the employed labour force in the central provinces. The fact that there are so many seasonally unemployed farm labourers has aroused the interest of farm people who wish to obtain some form of unemployment insurance coverage for farm workers, and this interest has developed largely as the result of social and economic advances.

When the present government assumed office in 1957 the Unemployment Insurance Act was amended in order to have its provisions include seasonal fishermen, but nothing was done to have the seasonal farm labourers included. As a result of that omission they still remain outside the benefits of the act. As a matter of fact they comprise the only section of our labour force which is not covered by unemployment insurance, and they are the only group of people in Canada today who are left to fight the hardships of unemployment on their own. They are the only ones who receive no assistance from the government whatsoever. Having talked to these people one gets the impression that they feel discriminated against and segregated from the rest of the labour force.

This is not the first time I have brought such a motion before the house. I believe I have introduced a similar motion every session and, due to that fact, the Minister of Labour has given consideration to my request and to the request of other hon. members

who supported my previous motions. However difficulties were encountered by the government and by other people concerned in seeing to it that the Unemployment Insurance Act would cover the seasonal farm labourer.

Mr. Speaker, I would like to draw your attention to a submission presented to the standing committee on industrial relations by the executive council of the Canadian Chamber of Commerce in 1959 when the committee was dealing with Bill No. C-43, to amend the Unemployment Insurance Act. They said:

> We are of the view that before an increase in rates is imposed, a number of areas of drain should be examined; alternative methods of financing should be reviewed and the question of coverage be studied.

This is the chapter in the submission which deals with areas of drain, financing and coverage. It continues:

> The drain on the fund caused by the coverage of fishermen will, according to the unemployment insurance advisory committee, total in a full year $10 million.
>
> We note that the same committee submitted to the government that the loss to the fund—

They were discussing the unemployment insurance fund—

> —caused by extending benefits to fishermen should be paid from sources other than regular contributions. This is seeking to plug the hole after it has been made. It is the executive council's submission that this group should never have been covered and, indeed, it notes in the hearings of the standing committee on industrial relations in 1955 a memorandum, dated May 16, 1955 in which such statements as the following were incorporated:—
>
> "The conclusion still seems inescapable that unemployment insurance is no answer to the fishermen's problems . . . To bring the fishermen under the act on such a basis would be misleading and unfair."
>
> Despite this memorandum, the fishermen were covered under the act.

This is one reason why there were so many committees set up since 1952 to see whether it would be possible to bring seasonal farm labourers under the provisions of the Unemployment Insurance Act. As early as 1952 a committee was set up and, although it did not recommend that unemployed farm labourers should be covered, it came out with recommendations which were later implemented. For instance, farm labourers who worked on farms where they raise chickens or horses were included, but the rest of the seasonally employed people were not covered.

I also note with pleasure the remarks of the Minister of Labour to the effect that studies have been conducted by his department concerning the seasonal farm labourer. To reach some conclusion, in 1961 the department set up a committee known as the Gill committee. The Gill committee report is not available at the present time, but it is known that the matter was considered before that and it was said that consideration should be given to a voluntary scheme. In other words, this would be where the farmer and farm labourer were in agreement to pay into the Unemployment Insurance Act, and thus seasonal workers could receive coverage.

In 1959 an intergovernmental committee was established by the unemployment insurance commission to make a survey of the possible coverage of farm labourers. The committee included representatives of the Department of Agriculture, the Department of Finance, the department of insurance, the dominion bureau of statistics and the unemployment insurance commission. In February, 1960 this committee submitted its report, emphasized the fact that the problems were serious and suggested possible schemes which would to some extent meet these problems. The Minister of Labour (Mr. Starr) also obtained the views of the minister of agriculture of that time and the latter asked if consideration could be given to a voluntary scheme, as had been suggested in the report of the committee in 1952. It was there suggested that a farm operator could elect whether or not to cover his employees. The committee made further studies and surveys in 1960 and found great difficulty in arriving at even an approximate estimate of the cost of the scheme. This is where the situation stands at the present time.

There are certain difficulties, Mr. Speaker, in the way of this question of unemployment insurance for farm workers and the implementation of such a proposal, but the fact remains that this group of people is in a desperate position. This is the only group of labour not covered by unemployment insurance. Many of these seasonal farm labourers have established residence in the area where they work and have difficulty moving their families into areas where they could perhaps obtain work in industries. Also, at the present time it is sometimes very difficult for unskilled labourers to obtain employment in an industrial area.

I would suggest, Mr. Speaker, that the house give serious consideration to this problem. If it is not possible to have seasonal farm labourers brought under the Unemployment Insurance Act, consideration should at least be given to working out a regulation which would bring them under the act on a volunteer basis. Many farmers in the west are in desperate need of skilled workers, because at the present time their farms are highly mechanized and it takes a skilled operator to handle expensive combines and tractors. Then, due to the fact that they are only going to be employed during the season, many of these people are not interested in this type of

employment. From personal experience I know that many losses have been incurred by farmers for the simple reason that they could not obtain workers. These workers have eventually drifted into the cities where they, although not always in a position to obtain permanent work, are at least in a position to obtain a few months work, are able to contribute under the Unemployment Insurance Act and thus receive unemployment insurance benefits when they are out of work.

Mr. Speaker, I would like to see this motion come to a vote. As I said at the outset, I have brought this matter to the attention of the house in many other sessions. Nevertheless, the time is now ripe for these people to be brought under the Unemployment Insurance Act. I will not make any further comments on my resolution because I know many hon. members from the western provinces and from the provinces of Quebec and Ontario are also very interested in seeing the implementation of the proposal contained in my motion, which is to bring seasonal farm labourers under the Unemployment Insurance Act.

Mr. H. E. Gray (Essex West): Mr. Speaker, it is a pleasure to be able to rise and support the principle of the motion put before us by the hon. member who just spoke. The hon. member for Assiniboia (Mr. Argue) happens to be attending the convention of the farmers' union in Winnipeg. I know that if it had been possible for him to be here this afternoon he would have joined me in speaking out strongly in support of the principle of this motion. I would like to point out to this house that the agricultural policy of the Liberal party contains this statement:

> Unemployment insurance should be extended to as many farm workers as possible.

It would probably be correct to say that there is hardly an area in Canada today where farmers have not experienced a certain difficulty in getting and keeping good quality seasonal workers because they cannot offer these workers unemployment insurance coverage. They therefore are bound to lose out in competition with other employers who can offer such coverage. Mr. Speaker, let me give you an example from my own riding of Essex West.

(Translation):

My riding includes the areas of La Salle and River Canard where we find truck gardeners—most of them French speaking—who grow vegetables and early products such as the famous Petite Cote onions and radishes.

Most of the forefathers of those farmers settled on the shores of the Detroit river some 200 years ago. Many of them want their seasonal workers to benefit from unemployment insurance.

(Text):

They begin work as early as the middle of April. The market gardeners of La Salle and River Canard can keep seasonal workers busy almost up to the end of November, but they have great difficulty in getting and keeping good quality seasonal workers because they cannot obtain unemployment insurance for them. The result is that as soon as some work comes along that is covered by unemployment insurance—for example in the canning factories—the seasonal help they would like to keep leave and go into this other type of employment. I have been told by some market gardeners in my riding that their workers have actually come to them and asked for unemployment insurance coverage; they have asked whether the farmers themselves could get stamps to put in their books. It was with great regret that these farmers could not do what the seasonal workers asked them to do.

Mr. Speaker, it seems rather strange that today fishermen are covered, but not seasonal farm workers. I suggest it is time this anomaly was removed. It seems rather strange that men who harvest the products of the sea can get unemployment insurance benefits, but not men who harvest the products of the land. If we look at the regulations we find that certain employments in agriculture now qualify for unemployment insurance coverage. May I refer briefly, Mr. Speaker, to regulation 58, which states:

> A person's employment shall be insurable, though otherwise excepted as being in agriculture, if it is in connection with any of the following undertakings:
>
> (a) breeding or raising poultry,
> (b) chick hatching,
> (c) preparation and marketing of poultry,
> (d) egg grading, or
> (e) breeding or raising race horses, saddle horses or light harness horses,
>
> unless the undertaking is carried on as an incidental part of farming operations.

I wonder why a horse jockey can get coverage but not a tractor jockey. Here is something which I believe should be changed. It may be that the way to deal with this matter is to cover only certain classes of seasonal farm workers such as those engaged in market gardening, or perhaps it should be done on a voluntary basis. But I think this could be worked out, once we sit down in committee. Therefore, since I strongly urge that this motion be allowed to go to a vote, I shall not take the time of the house further, except to urge that this motion be supported by all members this afternoon.

(Translation):

Mr. J. L. Frenette (Portneuf): Mr. Speaker, I should like first of all to thank the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp) for having introduced this motion of concern to all farming people, and especially to farm workers, which enables us at the same time to deal with the very important problem of unemployment insurance, a problem of general interest.

We endorse the principle and the essence of this motion, the purpose of which is to give a more effective protection to farm workers. We shall not take up too much of the time of the house so that the matter may come to a vote.

Mr. Speaker, our first argument is that farm workers are surely entitled to the same protection given to all other classes of workers, because their needs are the same.

It is acknowledged that those occasional or seasonal workers deserve a special attention since they find themselves in a situation that is quite particular. In my opinion, and as was stated earlier, lumbermen could very well be included in that category.

Very often, the land owner who wants to cut lumber on part of his woodlot hires lumbermen, but since these lumbermen under the act are considered as agricultural workers, they are not entitled to unemployment insurance benefits.

Now, since we are of the opinion that these workers deserve special attention, we must necessarily take special action.

The word insurance loses somewhat of its meaning for that class of casual or seasonal workers, because we know beforehand that the unemployment insurance benefits will be much higher than the contributions paid by these workers. The unemployment insurance fund is therefore handicapped by this situation, and I suggest that the benefits thus drawn from the general fund should be paid out of a special fund, to which the public treasury should be asked to contribute more than it does for the general unemployment insurance.

Mr. Speaker, we also suggest that regulations be made easier and more flexible so that those seasonal or casual workers may take advantage of unemployment insurance benefits.

Along the same line and since that notice of motion has been introduced, we call upon the government to consider the problem of the small contractor in the cities and towns of our constituencies. Actually, I am thinking of carpenters, plumbers or painters who very often do jobs on their own and then, not having any work, must rent their services as wage earners to contractors. Since they work mostly on their own account, they find it exceedingly difficult to get unemployment insurance benefits.

That is why we feel the government ought to consider that particular problem of some of our workers. Moreover, since it appears that unemployment has to be accepted as something permanent, the Unemployment Insurance Act should be completely reviewed and adapted to the needs of the present situation.

I have in mind the problems facing the unemployed because of the fact that unemployment benefit cheques do not mention the period of unemployment covered by the said cheques. As a matter of fact, I have been aware of several cases where unemployed people had problems with the unemployment insurance commission because they were charged with getting benefits—

Mr. Speaker: Order. I hope the hon. member does not intend to cover the whole field of unemployment insurance because we are at present discussing a motion merely pointing out the problems of seasonal farm labourers. I sincerely regret to interrupt the hon. member, but I must tell him that he cannot discuss all the provisions of the Unemployment Insurance Act. So, I hope the hon. member will come back to the subject matter.

Mr. Frenette: I thank you, Mr. Speaker, and I am sorry if my remarks were a little irrelevant.

I therefore come back to the subject matter, that is the problem of farm labourers. Since I do not want to talk this motion out, I shall conclude my remarks by saying that we completely agree with the mover of the motion and if there is a vote we shall certainly vote for the motion.

(Text):

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, as one who is proud to be a peasant farmer, I rise on behalf of this party to express our support for the spirit and purpose of this motion. So as to explain clearly what I wish to express, I will just quote the motion. It reads:

> That in the opinion of this house, the government should consider the advisability of amending the Unemployment Insurance Act so that seasonal farm labourers would receive benefits similar to those paid at the present time to seasonal fishermen.

I must say that the problem of the fishermen is different from that of the agricultural workers, but we support this motion on the basis that the hon. member is trying to get the government to consider amending the act so that seasonal employees of the farmer may be brought under the Unemployment Insurance Act.

I cannot help but mention to my friends in the Social Credit party opposite that I listen with interest to their remarks on agricultural matters because I know that a good many of the people they represent live close to the soil. I want to draw their attention to the fact that I am one of the few members of parliament who lives a habitant way of life in the backwoods, and we have a certain affinity in that respect. That is why I am interested in their speeches on agriculture.

I wish to make one or two comments on the remarks made by the hon. member who spoke on behalf of the Liberal party. I noticed that at times he was almost indignant because action has not been taken to amend the act so that agricultural employees were covered by its provisions. He said it was strange that fishermen should be treated differently from farm labourers. It is not strange at all. The very party he represents is the reason for that situation, at least up to 1957. Does the hon. member not know that this subject has been discussed in the house for over 14 years? Members of this group, when they sat on the other side and faced the Liberal government, pleaded year after year at the request of their constituents and of the farm organizations to amend the act on the lines suggested by the hon. member who introduced this resolution.

Then the hon. member for Essex West (Mr. Gray) said that he could not understand—

Mr. Gray: Might I ask the hon. member a question?

Mr. Speaker: If he will accept it, but you cannot force it.

Mr. Gray: I would like to ask the hon. member who has been speaking whether he knows that this is 1962.

Mr. Herridge: Yes, I know it is 1962, but I know that members of our group pleaded with the Liberal government from 1946 till 1957 to make the amendments proposed by this resolution this afternoon. Then the hon. gentleman said it is strange that the act gives preference to a jockey, rather than to a farm labourer. The reason for that is the attitude taken towards a farm labourer by the former Liberal government and the present Progressive Conservative government. I am sure the hon. member has not read the debates of past years on this question in the house; otherwise he would realize that it had been a topic of debate over a good number of years, but without any result to date.

Then again, farm organizations throughout the years have discussed this question. I have attended farm meetings. Resolutions have been presented to the government of Canada by the Canadian Federation of Agriculture, to the government of British Columbia by the B.C. federation of agriculture, and to the government of Canada by the British Columbia fruit growers association. I can see as I sit here the paling face of the hon. member for Bonavista-Twillingate. I can see that this rests on his conscience, and I fully expect that he will rise and have something to say later on. He was a member of a government which refused to take action from 1946 to 1957.

Mr. Pickersgill: Would the hon. gentleman give me the *Hansard* references in 1946 and in subsequent years up to 1956 about which he was boasting a few moments ago?

Mr. Herridge: I have not got the *Hansard* references here, but I do remember attending a convention of the B.C. federation of agriculture—

Mr. Pickersgill: Would the hon. gentleman give them later?

Mr. Herridge: Possibly I will be able to look them up and give them to the hon. gentleman. Anyway this is a subject which has been of serious concern to farm organizations and farmers over a good period of years, because they felt they had suffered an injustice under the present terms of the Unemployment Insurance Act. The British Columbia fruit growers association has been particularly interested in this question, and I will tell the house why. They could never understand why there was a distinction between the worker who worked at packing fruit in the packing house and a worker who worked at the same time in the orchard picking the fruit. That is another illustration of the operation of the act. However, I have hopes that because the resolution has been introduced by the hon. member for Humboldt-Melfort-Tisdale this government will be influenced to do something about it; and should the government be defeated in the spring, then because of the pangs of conscience suffered by hon. members opposite in the official opposition I hope that they will take some action if elected to office. However, the present circumstances have resulted in a lot of inconvenience to farmers. I can speak from my personal experience of conversations with a good many of them who wanted some seasonal labour for a month or so but who could not obtain it because the

agricultural labourer is not covered by unemployment insurance. Naturally any man seeking employment is going to accept the employment under which he can receive the protection of the Unemployment Insurance Act. That is only natural. I can relate numerous personal experiences from my close associations with a great many fruit growers and farmers in my constituency, where they have been considerably inconvenienced at harvesting times and at other times because they were unable to obtain farm help, and the reason they could not obtain it was because such labour was not covered under the act.

This has been a subject of discussion throughout the years by farm organizations, who have made representations to the former government and to the present government. But still nothing is done. It is still a topic of serious discussion with farm organizations and many farmers. To indicate how up to date I am on that, as recently as February 7 of this year the Canadian Federation of Agriculture made a submission to the Prime Minister of Canada (Mr. Diefenbaker) and members of the cabinet, and in that submission, on page 12, will be found the following paragraph:

> Unemployment insurance for farm workers. While we appreciate that the unemployment insurance program is now under study by a royal commission, nevertheless we feel we must bring to your attention that the very real need for a selective, if not a voluntary, program of unemployment insurance for farm workers is still unmet—

Mind you, it is still unmet. That is an indication of how many times they have tried to persuade governments to amend the act.

> —a matter of considerable disappointment to those farmers who find that they are seriously disadvantaged by this situation.

I am not very struck by some of the grammar here, but I can see what is intended.

> If a voluntary program for agriculture cannot be brought in, we would recommend early extension of compulsory coverage to those areas and/or groups of producers who have clearly indicated their desire and willingness to participate in such a program.

Mr. Speaker, as we discuss this question some hon. members from urban ridings may feel that this seems a matter almost of academic interest and not of great importance. But it is of great importance to a farmer or a fruit grower when he is anxious to get help for a week, for two weeks, or for a month, in order to harvest his crop or to carry on some of his operations. Therefore, we are not anxious to delay the debate. We want to see a vote taken before six o'clock. We should all like to see this resolution adopted unanimously by the members of this house. But we do urge the government again, as we have in the past over a good number of years, to give consideration to the inconvenience suffered by many farmers at the present time owing to the failure of the government to act to amend the Unemployment Insurance Act. Should this discussion unfortunately continue until six o'clock and nothing is done in a constructive way to give consideration to this resolution, we hope that the matter will come to the attention of the committee on agriculture and that the representatives of the farm organizations representing various segments of agriculture be given a particular opportunity to deal with this problem and present their views.

(Translation):

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, on behalf of several farmers in my riding and in my province, I would like to say that I support the motion presented by the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp).

The seasonal worker is not the only one to suffer from the situation that has just been explained. In fact, several farmers in my area, as well as several farmers in my province, have asked me to be their spokesman on that subject and to press the government to study the possibility of allowing the farm workers to draw unemployment insurance benefits, just like other workers.

As other workers benefit from the Unemployment Insurance Act, as well as the fishermen since quite recently and a few other seasonal workers, it is more and more difficult, if not impossible, for several farmers to find good men to help them with their work.

Mr. Speaker, when a farmer wants a man to work on his farm, the first question he is asked by the eventual employee is the following: Do you contribute to the unemployment insurance fund? Since the farmer's answer is always or nearly always "no", the prospective helper, the person who is seeking employment unfailingly replies: "I am not interested; I would rather work where I can get unemployment insurance benefits".

That means that in the province of Quebec and in my riding, certain big farmers who employ helpers all year-round have to do without the services of highly competent workers because the latter cannot accept a job where they would be deprived of unemployment insurance benefits if they ever had to leave their job.

The same thing goes for seasonal workers. Many of our farmers need help when they are most busy, that is during six to eight weeks and very often for the whole summer season. They also need help for sowing time, hay harvesting and for the harvest season. They could employ workers for four to five months but since the answer is always the same "We cannot pay unemployment benefits", they have to employ men who are far from being helpful as competent farm hands. They have to entrust them with the operation of costly machinery. I am sure you know, Mr. Speaker, that the machinery farmers must use nowadays is getting to be more and more expensive. Farm workers have to be qualified when they operate machines worth $2,000, $3,000 and even $4,000.

It is true, Mr. Speaker, that it would be most difficult to extend the provisions of the Unemployment Insurance Act to all farmers, but with agriculture's continued evolution, as I said a moment ago, if it is difficult now to find skilled labour, it will become increasingly difficult in a few years. It is therefore most essential to find a solution to those problems because in addition to giving assistance to farm labourers who hold seasonal employment, we will have to give assistance to those farmers needing skilled labour.

Such solution will be found in an extension of the provision of the Unemployment Insurance Act allowing for optional eligibility of farm labourers to unemployment insurance benefits.

Mr. Speaker, we are aware that the Gill commission will submit a report reflecting the submissions brought forward at the hearing by farmers' organizations across the country. In the light of this report, I believe the government may consider assistance to seasonal employees and farmers in need of farm labour.

Take the case of the Canadian fisherman who is entitled to unemployment benefits. The extension of the act in his case brought assistance to him. This government therefore contributed some degree of assistance to this Canadian worker. Now, the farmer who needs qualified and skilled labourers would appreciate the passage of the bill before us, and that is why I am pleased to support the motion of the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp).

Mr. Gerard Legare (Rimouski): Mr. Speaker, I shall only take a few minutes because I would not wish to prevent the house from voting on the resolution now before us. On the other hand, I know that other members have expressed the wish to take part in this discussion, which makes me think that, even if I take only a few minutes, the house will not be called upon to vote on this resolution tonight.

I should like to congratulate the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp) for the steadfastness he has shown by coming back again this year with this resolution.

I believe that the house unanimously agrees with him when he states that the Unemployment Insurance Act should be amended so that the farm workers could benefit from it.

I was astonished to hear the hon. member for Kootenay West (Mr. Herridge) say he was surprised to see a member of the Liberal party support such a measure. I would remind him—it is unfortunate that he has left his seat, but I see him smoking his pipe behind the curtain—that the Unemployment Insurance Act was adopted by a Liberal government and that it was amended by a Liberal government so that the fishermen could benefit from it. It is also a Liberal government that, in 1957, studied what steps should be taken so that the agricultural workers could benefit from that measure that has been so beneficial to the country.

My hon. friend from Kootenay West should remember that all special measures which benefit the country today were implemented by a Liberal government. They are all progressive measures that were also improved through the years.

(Text):

Mr. Herridge: Who brought in the Unemployment Insurance Act?

(Translation):

Mr. Legare: The Liberal government instituted that act and had it adopted by parliament. Again a Liberal government amended it so that it would benefit the fishermen.

I remember that in 1957 a committee of the house studied the possibilities of changing the act so that our farming class could benefit from it.

I am sure, Mr. Speaker, that if the Liberal party had remained in power in 1957 and 1958, the farm people and the farm labourers today would benefit from such a beneficial measure which has rendered more services than any other.

I strongly support the sponsor of this resolution. I know that he may have a greater chance to have it passed than if it came from this side of the house. Such a measure is a must today and the farm help must necessarily be covered, either by the Unemployment Insurance Act, or by another legislative measure that parliament will pass. If it is not possible to have the farm people, the farm labourers, benefit from this act, it might be advisable to pass another act which would allow the employers and the farm labourers to benefit from it.

As the hon. member for Nicolet-Yamaska (Mr. Vincent) stated in his speech, farmers are having a hard time finding workers who would help them during sowing time or during the harvest because they do not give unemployment stamps. Not only are farmers denied that privilege but under the present provisions of the Unemployment Insurance Act, they are denied benefits when they help a neighbour build a barn or improve his farm buildings.

But in 1957, farming conditions were not what they are today. And some people are aware of how hard it is in certain parts of the country to make both ends meet for those who are engaged in farming or breeding. This is the reason why it is more imperative than ever before to amend this act so that employees can benefit from that liberal ligislation.

An hon. Member: A liberal legislation adopted by a Liberal government.

Mr. Legare: I am not going to repeat it, even though I am inclined to do so, because our friends in the right hand corner opposite forget too easily the legislation which was introduced by the Liberal party which was so advantageous to the whole of Canada.

I will conclude my remarks because I am sure other hon. members will want to express their opinion. Indeed, I should not want to prevent the house from adopting this resolution which I fully endorse.

Mr. J. P. Cook (Montmagny-L'Islet): First of all, I should like to reassure hon. members and tell them that I do not intend to talk out the motion. Even if I did, it would not much matter, because it will die in one way or another at six o'clock, as it has become a custom here to bury every motion at six o'clock.

Before being called to order, Mr. Speaker, I would add that the first thing which should be amended would be standing orders so that a vote be mandatory for all motions, particularly when they are as logical as this one.

Mr. Speaker, if I attempt to say a few words on this motion, it is because I myself have one on the order paper, under No. 44, which is very similar to this one. Unfortunately, as I am not sure that this parliament will live long enough to let us discuss order No. 44, I might say a few words on order No. 13.

I must commend my hon. colleague from Humboldt-Melfort-Tisdale (Mr. Rapp) as the promoter of this motion. When listening just now to the eloquent statements made by my colleagues from the Liberal party on the motion, I was quite surprised. I do think they are sincere, but I wonder whether they are really aware of their party's basic policy. Indeed, if this legislation now calls for so many adjustments, we must not forget, as my hon. Liberal colleague said a moment ago, that it was introduced by the Liberal party. Consequently, if we had had a better administration in this country during the 22 years that party was in power, there would have been no need to enact legislation with regard to unemployment insurance, because all classes of society would have had enough work not to have to resort to such insurance.

Mr. Speaker, it is unfortunate that this motion, which has already been introduced several times by the hon. member for Humboldt-Melfort-Tisdale, has not been taken into consideration by the Liberal party when it was in power.

If the Liberal supporters believe today that this motion is sound, why did the Liberal party not consider it when it had the chance to pass it and to make the legislation more accessible to all?

There are in my riding—as elsewhere throughout the province and the country—small farms which yield enough, not to say barely enough, to make a living, or hardly enough to subsist. And, in order to survive on their farms, these farmers cannot afford to hire workers but must turn to their own sons for assistance. However, their sons—like those from all the other working classes in the country—would rather like to work for money and to receive unemployment insurance benefits when they are out of work, and that is impossible under the act as it now stands.

Therefore, in many cases farmers' sons are not interested any more in working for their fathers, because the latter cannot give them unemployment insurance stamps so that they may get benefits during the winter months. Hence, they go and work in cities. And, in many cases, this results in the sale of farms, very often by auction, at the door of the church, because the poor farmer cannot manage his farm by himself the way he should to look after his wife and young children properly. So, the farm is sold. And that is why so many farms are abandoned nowadays in a great number of provinces and all across the country.

Mr. Speaker, as time is getting on, I should like to permit, for once, that a motion of this kind be put to a vote.

In closing my remarks, I would add that we, from this side of the house, support all motions that are logical and sensible to assist not only the working and agricultural classes, but all classes of society in general.

(Text):

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, in the light of some of the discussion that has taken place I think it is perhaps just as well that the great Liberal party did not get around to attempting to bring agricultural workers under the coverage of the Unemployment Insurance Act. I bring this to the attention of the hon. member who no doubt with laudable intent introduced the resolution; but he was rather unwise, I think, when he linked it with the abortive plan of coverage for fishermen which was brought in by a Liberal government. In view of the time, I shall not extend my remarks further in that direction. However, in order to assist the hon. member for Bonavista-Twillingate (Mr. Pickersgill) with regard to the research undertaken by the hon. member for Kootenay West (Mr. Herridge), I would refer the hon. member to *Hansard* for June 10, 1955, page 4641 where he will find that the hon. member for Kootenay West is reported as saying that he had made a plea for the consideration of the inclusion of agricultural workers. I think the hon. member might take that point of reference.

Mr. Pickersgill: I might point out that is nine years after 1946.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, it is no surprise that there is unanimity on this proposal—

Mr. Gray: Let us have the vote.

Mr. Bigg: —but I would ask the house to approach this subject with care. The Gill committee which is now sitting, and has sat since last July—

Mr. Pickersgill: Now sitting? It finished its work last August.

Mr. Bigg: —is bringing forward proposals which will deal with the subject. We expect that the Gill committee will recommend many other important amendments amongst which, no doubt, there will be amendments that will encourage people to remain at work. It is very difficult for farmers to get suitable farm labour these days because, as has been pointed out by nearly every speaker, the present act does not cover farm labourers and therefore workers will not leave other employment to go to the farms.

Mr. Speaker: Order.

Mr. Gray: Talked out by the Tories.

Mr. Speaker: Order. So far as any question of talking out is concerned, I would respectfully point out to hon. members that if anyone has occupied any time in speaking on the motion other hon. members have an equal right to speak on the motion, whether it takes two hours, three hours or four hours, and therefore any gratuitous remarks of that nature are quite out of order.

The time for the consideration of private members' business having expired, the house will revert to the business that was interrupted at five o'clock.

(Translation):

FREIGHT RATES REDUCTION ACT

AMENDMENTS EXTENDING APPLICATION AND INCREASING EXPENDITURES

The house resumed consideration in committee of the following proposed resolution—Mr. Balcer—Mr. Paul in the chair:

That it is expedient to introduce a measure to amend the Freight Rates Reduction Act to extend for not more than twelve months the period during which the revised rates under the said act shall be applicable and to increase the authorized expenditure under the act by an additional twenty million dollars.

At six o'clock the house took recess.

(Text):

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Peters: At five o'clock, Mr. Chairman, I was discussing the need for a national transportation authority rather than accepting such legislation as we have which, when it was introduced in 1958, was considered to be a stopgap piece of legislation. Through this

amendment we are being asked to re-endorse the Freight Rates Reduction Act which lapsed several months ago. We are being asked to extend it for another 12 month period, with an additional $20 million to be used in the same manner as the original act.

While this proposal can be supported, it can only be supported in the knowledge that the government considers this to be a stop-gap piece of legislation and that it is willing to undertake an overhaul of the whole transport authority. The minister said this would be considered, but I am doubtful if that can be done in time for us to do anything about it in this session of parliament, or even during the lifetime of this parliament. However, I suggest that if the government is really sincere in wanting to do a complete overhaul job, integrating all various aspects of road transportation, rail transportation, piggy-back services, air lines and water transportation then there is no better time to do it than now, when the government would be able to ask the assistance of other parties which make up this minority parliament.

With regard to passenger services, it is interesting to note that the local people in Ottawa, particularly at a time when they are holding a civic election, are questioning whether to put apartment buildings, a theatre, or stores as an extension of the mall on the site of the Ottawa railway terminal in the centre of the city. It seems to me the travelling public could get a greater advantage out of commuter service if the train continues to come right into the centre of the city, instead of being disembarked many miles out of town in a new station which will probably be archaic in a few years time.

I believe the minister should give top priority to introducing positive proposals for the establishment of a new authority, and to setting up a committee to discuss the whole matter of developing that new authority in ways that will assist the three major groups involved, namely the people who form the passenger public, the shippers of freight who contribute to the bulk of railway revenues, and the employees of the railways.

If the minister could give that assurance then I believe this would be acceptable in the short term, but otherwise I see no reason to spend an extra $20 million to handle problems we have not been able to solve in the years since 1958 when this was considered to be only a temporary measure of an interim nature.

Resolution reported and concurred in.

Mr. Balcer thereupon moved for leave to introduce Bill No. C-91, to amend the Freight Rates Reduction Act.

[Mr. Peters.]

Motion agreed to and bill read the first time.

Mr. Speaker: When shall the said bill be read a second time? Next sitting of the house?

Mr. Balcer: I have some indication, Mr. Speaker, that it might be possible to have second reading of the bill today because it will be sent to a committee. If it were agreeable to the house we might have second reading now and send the bill to the committee on railways, canals and telegraph lines.

Mr. Chevrier: Mr. Speaker, as an indication of our desire to be co-operative, I think those of us who sit on this side of the house would be quite willing, subject of course to the approval of the other parties, to have this bill receive second reading now, on condition that it is sent for consideration to the committee on railways, canals and telegraph lines.

Mr. Speaker: By consent, is it agreed?

Some hon. Members: Agreed.

Mr. Balcer moved the second reading of the bill.

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

PUBLIC HARBOURS

APPROVAL OF AGREEMENT BETWEEN CANADA AND ONTARIO

Hon. Leon Balcer (Minister of Transport) moved the second reading of Bill No. C-59, to approve an agreement between the government of Canada and the government of the province of Ontario respecting public harbours.

He said: Section 108 of the British North America Act provides that the public works and property of each province enumerated in the third schedule to that act shall be the property of Canada, and included in the third schedule is "public harbours". This provision vested in the crown, in the right of Canada, ownership of the bed and foreshore of all public harbours in Canada that were actually being used as such at the time of confederation. However, the British North America Act did not list and describe those harbours and in some cases there are doubts as to whether a harbour became the property of Canada; and in many cases it is difficult or impossible to determine what were the precise limits of those harbours at the time of confederation.

It is recognized that what actually became the property of Canada under the heading "public harbours" were those areas which were actually being used at the time of confederation for the anchorage of vessels, the

loading and unloading of goods and the embarking and disembarking of passengers. However, there are obvious reasons why at this time, nearly 100 years after confederation, the uncertainties inherent in this situation can be resolved only by way of agreement between Canada and the individual provinces directly concerned. In the case of Ontario, the earliest settlements were along the St. Lawrence river and the shores of the great lakes and, over a long period, the waterways were the only effective means of transportation. For many years prior to 1867 ships plying the river and the great lakes would make regular calls at each settlement to deliver or pick up passengers and cargo and each such port of call could properly be designated as a public harbour within the meaning of the British North America Act.

However, over the years other means of transportation have been developed and traffic patterns have changed, and now there are many small places in Ontario along the river St. Lawrence and on the great lakes which, doubtless, were used as public harbours at the time of confederation but which today and for many years past have had no significant commercial water traffic. The other, and perhaps more important, difficulty is in respect of the limits of those public harbours which are now recognized as such within the meaning of the British North America Act. In many cases traffic has increased considerably and the areas of particular locations used for harbour purposes have become increasingly larger. As there were no cadastral plans at most of these places in 1867 it is, at this late date, impossible in many cases to determine with any degree of certainty the original limits. This difficulty has resulted in claims and counterclaims in respect of ownership of harbour beds and has been the subject of discussions between Canada and Ontario extending over many years.

This problem was settled between Canada and British Columbia in 1924 by way of complementary orders in council; it still has to be dealt with in respect of Quebec and the other maritime provinces, including Newfoundland. In the province of Ontario there are 27 harbours which, on the basis of their importance in respect of water transportation, now qualify as public harbours within the meaning of the British North America Act. These harbours make a significant contribution to the economy of Ontario and, indeed, of the whole of Canada and it is highly desirable that the present uncertainties which confuse the administration of the foreshore and the land under the waters of these harbours be eliminated. These 27 harbours are as follows; I am giving the list in alphabetical order: Amherstburg, Belleville, Brockville, Chatham, Collingwood, Fort William, Gananoque, Goderich, Kincardine, Kingston, Kingsville, Leamington, Oshawa, Owen Sound, Penetanguishene, Port Arthur, Port Burwell, Port Hope, Port Stanley, Prescott, Rondeau Bay, Sarnia, Sault Ste. Marie, Southampton, Toronto, Whitby and Windsor.

The harbour of Hamilton is omitted from the list because, pursuant to a pre-confederation statute, the city of Hamilton has a good title to the bed and foreshore of the harbour. Following a long period of negotiations agreement has been concluded with the government of Ontario which determines the limits of these harbours and which confirms all grants and quit claims by Ontario and by Canada of the water lots listed in the agreement. The agreement further provides that all mines and minerals within the said limits are the property of Ontario. The only known mines and minerals are salt beds under Goderich and Windsor harbours, and iron under Kingston harbour. The agreement has been signed by the ministers of lands and forests and of mines on behalf of the Ontario government, and by myself on behalf of Canada. It is dated September 27, 1962. It has been determined by the law officers of the crown that the appropriate method of implementing this agreement would be by legislation and this bill, which includes the agreement as a schedule, would ratify it. The province of Ontario is taking complementary action, which when completed will give effect to the agreement.

(Translation):

Mr. Lucien Lamoureux (Stormont): Mr. Speaker, I want to deal only briefly with this bill which, I am sure, everybody in this house will wish to support.

The purpose of the bill is to ratify the agreement reached between the federal government and the province of Ontario to specify which Ontario harbours are public harbours under section 3 of the British North America Act.

In my opinion, Mr. Speaker, the matter is not one for purely academic discussion, but deals with a problem of a practical nature, especially when the question is to determine whether federal funds may legally and constitutionally be spent on harbour improvements.

Of course, there is also a question of an historical nature which many consider to be of the utmost importance.

It is to be noted, Mr. Speaker, that 27 harbours have been enumerated in this bill. There can be no doubt at all that each one of those harbours deserves to be included in

the schedules to the agreement reached between the federal government and that of the province of Ontario, but it must be pointed out that the port of Cornwall, in which, naturally, I am particularly interested, is not included in the schedule annexed to the bill. I think that is most unfortunate, Mr. Speaker. Nevertheless, I still hope the minister will be in a position to give the assurance that the question of the possible inclusion of Cornwall harbour in an amended agreement between the federal government and the province of Ontario will be considered at the first opportunity.

(Text):

As pointed out in the explanatory note to the bill, section 108 of the British North America Act and schedule 3 thereto vested in the federal authority the bed and foreshore of all public harbours in Canada. The explanatory note adds that the B.N.A. Act vested in Canada public harbours "that were actually used as such at the time of confederation". There is no such limitation in the act, nor in the schedule. This limitation, if it exists, was not created by the act, but is the result of jurisprudence, and in particular it comes from the case of the Attorney General for the Dominion of Canada *v.* Ritchie Contracting & Supply Company, 1919 A.C. 999, where Lord Dunedin said as reported at page 1004:

> "Public Harbour" means not merely a place suited by its physical characteristics for use as a harbour, but a place to which on the relevant date the public had access as a harbour, and which they had actually used for that purpose. In this connection the actual user of the site both in its character and extent is material. The date at which the test must be applied is the date at which the British North America Act by becoming applicable, effected a division of the assets between the province and the dominion.

In this case the relevant year is 1867.

The case of Holman *v.* Green, reported in 6 Canada S.C.R. 707 is authority for the proposition that the public harbours referred to in the B.N.A. Act include not only artificial harbours constructed by the outlay of moneys, but also natural harbours.

On the other hand, the first fisheries case reported in 1898 A.C. 700 sets out that the transfer of public harbours operates on whatever is properly comprised in that term, having regard to the circumstances of each case, and it is not limited merely to those portions on which public works have been executed.

It is my submission that applying any of the tests sanctioned by jurisprudence, there existed a public harbour at Cornwall at the relevant time, that is, 1867, and that from a legal standpoint Cornwall should be included in the schedule to the agreement which is the subject of this bill.

[Mr. Lamoureux.]

There is no question whatever but that Cornwall was an important river front town long before confederation but it was a busy harbour at the time of confederation and it has continued to be an important port since then.

The first settlers came to Cornwall in 1776, nearly 200 years ago, followed by the important immigration of United Empire Loyalists in 1784. It appears obvious that what is now the city of Cornwall was selected as one of the sites for the settlement of the United Empire Loyalists because of its position on the St. Lawrence river, below the Long Sault rapids. In his book entitled Lunenburgh, published in 1890, Judge J. F. Pringle quotes Smith's Gazetteer of Upper Canada as containing, in 1799, the following words:

> In passing from Point au Bodet westward through Lake St. Francis and up the river St. Lawrence, the route is generally made on the north shore.

After mentioning the township of Charlottenburg, the Gazetteer writes:

> The township of Cornwall adjoins next. In the front is the town of a mile square, lying in a commodious bay of the river. The township of Oznabruck lies above Cornwall... The rapids called the Long Sault lie in front of this township. The boats in going up keep to the north shore in great measure because the south shore is not settled...

Further on in his narration, Smith says:

> Edwardsburg is the next township, in the front part of which is Johnstown of a mile square. This with the town of Cornwall has been most judiciously chosen, the one being immediately above, the other below the rapids of the upper St. Lawrence.

In her most interesting book entitled "Lights on the St. Lawrence", Jean L. Gogo at page 236 quotes from the Reminiscences of Captain T. G. Anderson as follows:

> My father and his children with the men of his company, got their allotment of lands in Cornwall... In those days, the only mode of conveyance from Montreal to Kingston was by bateau... On the 20th October 1795, my longing eyes observed a bateau rounding the point at Gray's Creek... On hailing it, the steersman made for the shore, and a bargain for my passage to Kingston for five shillings being concluded. I embarked with a light heart...

There is ample evidence that in the early nineteenth century the river front at Cornwall was used regularly as a harbour. As early as 1799, a ferry service was established between Cornwall and St. Regis. Around 1820, a horseboat began to run between Cornwall and Coteau du Lac; Judge Pringle, in his book entitled "Lunenburg" states at page 107:

> About 1824-25 a small steamboat was put on the same route. The next steamboat was the Neptune, which ran between Cornwall and the Coteau from 1828 or 1829 until 1840, when the Highlander which was launched at the Coteau in the summer of 1839 took her place.
>
> A steamboat began to run on Lake St. Louis, between Lachine, Beauharnois and the Cascades... Dickenson's line of stages ran between Montreal and Lachine, the Cascades and Coteau du Lac and

Cornwall and Prescott in connection with the steamboats on Lakes St. Louis, St. Francis and Ontario.

This quotation confirms that traffic was brought up by water from Coteau to Cornwall, and then proceeded westward to Prescott by stages.

There is further reference to the use of Cornwall as a harbour even before 1867 in Charles Dickens' "American Notes", published in 1850 and referred to by Jean Gogo at page 174 of "Lights on the St. Lawrence". Dickens describes a trip he made in 1842 between Kingston and Montreal, proceeding by steamboat to Dickenson's Landing and from there by stage-coach to Cornwall. The author writes:

It was nearly ten o'clock when we reached the wharf where the next steamboat lay; and went on board, and to bed. She lay there all night, and started as soon as it was day.

The wharf to which Dickens refers was one which had been in existence for some years at the foot of Pitt street—

Mr. Speaker: Order. While the Chair does appreciate some of the claims which the hon. member may be making on behalf of the city of Cornwall, I am wondering if the argument of the hon. member would not be more apposite to the committee hearing on the particular clause which defines the harbours to which the agreement applies. On second reading we are discussing the general principle of this bill. While I am giving the hon. member some latitude—I realize the point he was trying to make—I think if he is directing his argument particularly to why a particular harbour should or should not have been included, this would be better directed at the time we reach the committee stage.

Mr. Lamoureux: With respect, I was coming to the conclusion of my historical venture, Mr. Speaker. I might refer to the request or suggestion which has been made to all Canadians by the Prime Minister (Mr. Diefenbaker) that we should try to steep ourselves in Canadian history before 1967. I thought that very mild contribution would assist, but I will forget about Dickens and get back to Judge Pringle.

Mr. Speaker: With all that the hon. member has said, perhaps he will recognize the point I have made. I am not denying him the right to extol all the virtues of Cornwall, but perhaps he should not do so at this stage.

Mr. Lamoureux: It was not the virtues of Cornwall that I was extolling, Mr. Speaker; it was the history of one of the most historic parts of Canada that I was referring to. Finally I had reached the twentieth century, or just about, Mr. Speaker. I might say—and I suppose I will be out of order at this point—that I have some documents here which show what the harbour at Cornwall looked like in 1854.

Mr. Speaker: Well, I do not know which would be deeper, the harbour in Cornwall or the hole the hon. member is getting himself into with regard to the point of order I have raised. With all due deference I suggest to the hon. member that he get back to the principle of the bill.

Mr. Lamoureux: Mr. Speaker, to conclude my remarks, I think it should be pointed out that in my estimation the port facilities at Cornwall qualify the city for inclusion in the agreement between the federal government and the province of Ontario. I think I should point out—and I think this is an argument which is most relevant—that the harbour facilities as they now exist in Cornwall are situated exactly where the harbour facilities existed in our city back in 1857. This is extremely important because of the point which was raised by the minister, who said that in many instances it was not possible to declare the port as a public harbour under the terms of the British North America Act because it was difficult to delineate the boundaries of the harbour. In Cornwall this is easily done because we have exactly the same boundaries which existed back in 1857.

To sum up, I wish to reiterate my feeling that there is much historical authority to support the contention that Cornwall should have been included in the schedule to the agreement between the federal authorities and the provincial government, and I humbly suggest that this proposition should be given early, forceful and constructive consideration by the minister.

(Translation):

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, before making a short comment on the principle of the bill, I should like to express what I think are the feelings of my party and congratulate the hon. member for Stormont (Mr. Lamoureux) for the fine historic account he has given us. Thanks to him, we have spent a few most interesting moments, all the more so as he was speaking of his riding and the historic facts he related were most interesting.

Since the bill deals with an agreement between the government of Ontario and the government of Canada which has already been approved by both parties concerned, I do not think there will be any opposition coming from this side of the house.

However, as a matter of principle, I should like to add that, in my riding, several cases have been reported where the main trouble

stemmed precisely from the fact that harbour descriptions were not adequate or were not included in accurate legislation.

That is why I feel the principle of the bill is excellent. I fully support it and I hope that, one day, it will be possible to include a few important harbours in the province of Quebec.

(Text):

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I hope I can rise to the challenge of the national debate as presented by the hon. member for Stormont (Mr. Lamoureux). I am particularly excited too by the stirring, almost responsive reading the minister gave in his introduction to the bill. It certainly sets one up for a thrilling debate. I have also had my colleague next to me wanting to know why Moosonee is not on the list, in view of the grand promises which have been made in recent years by this government in former parliaments as to what it would do to open the north and, as Premier Frost has always called for, to give Ontario a port on the Atlantic at Moosonee. Then too the hon. member for Greenwood (Mr. Brewin) has been urging and reminding me, since I am speaking on this, that this is the opportunity to let everybody in the nation and this parliament know that Toronto harbour is not ordinarily fogbound, at least during the shipping season.

An hon. Member: Only during the football season.

Mr. Fisher: Somebody says "only the football season". I hate to bring up anything so relevant as that.

Mr. Speaker, we look forward to seeing this bill in the committee. I would just point out again in a national sense how interesting it is. Several years ago we passed an act setting up the lakehead harbour commissioners. They were given a boundary authority which included the cities of Fort William and Port Arthur. We have a definition here of the scope of, let us say, the physical properties within their grasp—that is chapter 34 of the statutes of Canada, 1958—and in trying to compare that with the boundaries of Fort William and Port Arthur set out in that act it seems to me that the commissioners have much less to deal with than the public harbour areas which are set out and delineated in the bill and in the schedule which follows.

The hon. member for Stormont went into history to quite an extent. You can see some of the history in the lakehead when you look at schedule C, where you find such names as "Donald A. Smith" as being one of the earliest people, along with "George Stephen", "Francis Stephen", "Thomas Reynolds", and all the rest of those entrepreneurs who got the Canadian Pacific going and who got one of the earliest parcels of land, 77 acres on May 30, 1883, from the provincial authorities.

This bill represents a tidying up process. One of the striking things is that you wonder why it took so long to tidy up, and you wonder what are the good consequences which are going to flow out of it. We are sure the minister will have all kinds of legal experts before the committee so that we can question them in detail. I suppose he should be warned that there will be representatives from Toronto, Port Arthur, and I presume Fort William, who will want to know more of the technical detail in relation to the harbour. I know the minister is likely to get up and say that the provision of this kind of information is not what he planned at all; but I think it is the sort of thing that we would like to review, particularly in light of what I said about the scope of the lakehead harbour commissioners compared with the scope of the commissioners in this bill. This house has been accused, even by some of the leading participants in it, of not getting much accomplished. I think this bill, from our party's point of view, has achieved all the recognition that perhaps it merits, so we can now hurry on to another of those scintillating items the minister has to offer on this particular day of our parliamentary sittings.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to know why Moosonee is not included in this bill. I have been into the long background of how the Hudson's Bay Company and others settled in this area and used it as a port many years ago. This is one of the few ports in Ontario which will grow very rapidly when it does begin to grow, but it will only grow if the federal government continue to exercise some interest in the area. There is and has been some speculation as to when that will be, and I think it would be advantageous if it had been included so that there would be a setting out of how large the port authority would be and the area they would have under their jurisdiction. I wonder whether there are other areas that are going to be added or are intended to be added at a later date or whether this is a complete clean-up of the harbours that were in existence prior to confederation.

Mr. L. E. Cardiff (Huron): Mr. Speaker, I had not intended to speak on this bill. It came up for consideration without notice to me. However, I think I should have something to say on it because of the fact that we have on lake Huron one of the best harbours to be found anywhere in western

Ontario. It is has been a great asset to the Dominion of Canada because of the fact that a great deal of money has been collected from that harbour. In the schedule I notice in the first paragraph under the heading, "Goderich", the following:

All and singular that certain parcel or tract of land and land lying under the waters of lake Huron and the Maitland river, being a water lot lying opposite part of block "A"—

And so on. Then it goes on to describe that land. We have a salt well lying under the waters of the harbour of Goderich. It is 1,700 feet below the surface of the water. I was wondering how that part of the schedule was going to affect the salt well which was started in there within the last three or four years, is now about three miles in length and is lying under the water. As I said, it is 1,700 feet below the surface. For anyone who has never been in Goderich and has never seen that rock salt mine, I think this would be a good trip for him to make in order to have a look at it. I do not know whether or not I am off the subject under discussion. However, I wondered whether that part of the schedule had any effect on this salt mine. I should like to ask that question of the minister.

Mr. Speaker: It is my view that perhaps these questions should be more limited to committee study when the individual items or the schedules are under discussion rather than be asked when the principle of the bill is under discussion. Is the house ready for the question?

Some hon. Members: Question.

Mr. Speaker: Is it the pleasure of the house to adopt the motion?

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals, and telegraph lines.

AERONAUTICS ACT

AMENDMENTS RESPECTING BOARDS OF INQUIRY, ETC.

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Aeronautics Act to authorize the Minister of Transport to establish boards of inquiry to investigate aircraft accidents, to give such boards the necessary power to carry out their functions and to provide for the expenses of witnesses appearing before these boards, and to provide further for certain changes in connection with the administration of the act.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

The Chairman: Shall the resolution carry?

Some hon. Members: Carried.

The Chairman: Shall I report the resolution?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Pickersgill: What is the matter? It was carried.

The Chairman: Is it agreed?

Some hon. Members: Agreed.

Mr. Pickersgill: It cannot be said that we are not co-operating.

Resolution reported and concurred in.

Mr. Balcer thereupon moved for leave to introduce Bill No. C-92, to amend the Aeronautics Act.

Motion agreed to and bill read the first time.

CANADIAN NATIONAL RAILWAYS

CONSTRUCTION OF BRANCH LINE FROM NEPISIGUIT JUNCTION, N.B.

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to authorize and provide for the construction of a line of railway in the province of New Brunswick, by Canadian National Railway Company, from Nepisiguit Junction for a distance of 15 miles to the property of Brunswick Mining and Smelting Corporation Limited, at a total estimated expenditure of $1,450,000, not to be exceeded by more than fifteen per cent; to authorize the issue by the said Railway Company of securities that may be guaranteed by Her Majesty in right of Canada to finance the construction of the said line; and in order that the said railway company may forthwith proceed with the construction of the said line of railway, to authorize temporary loans to the said railway company out of the consolidated revenue fund upon terms and conditions prescribed by the governor in council and secured by securities of the said railway company.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

The Chairman: Shall the resolution carry?

Some hon. Members: Carried.

Mr. Balcer: Mr. Chairman, I must admit that I am a little bit hesitant to get to my feet and speak on this matter. I am almost afraid of talking myself out. May I say I was very thankful to the committee for the speed with which they carried the previous resolution standing in my name on the order paper. I must admit that I expected at least 27 speeches when we decided to include 27 harbours in the previous bill. I imagine they will come on another day.

The present resolution seeks approval to introduce legislation to authorize the Canadian National Railways Company to construct

a branch line of railway in the province of New Brunswick, from Nepisiguit Junction, which is 3.7 miles south of Bathurst, in a westerly direction to the mining property of Brunswick Mining and Smelting Corporation Limited, lying approximately in the middle of the westerly half of the parish of Bathurst, Gloucester county, New Brunswick. The length of this branch will be approximately 15 miles and the estimated cost of construction $1,450,000, being $96,667 per mile.

Brunswick Mining and Smelting Corporation Limited has expended a substantial sum in establishing large deposits of zinc and lead ore, containing some copper and silver, in the area concerned and is currently preparing one of its properties, known as project No. 12, for production. The company has requested rail service to serve its mine and mill at this point of development by January, 1964. It is expected that it will take approximately a year to construct the line and it is planned to start clearing and preparing the right of way this winter, as soon as parliamentary authority has been obtained for the construction.

As in the case of construction of similar branch lines in the past to serve industry, Canadian National has entered into an agreement with the mining company, wherein a guarantee is given that the industry will ship a minimum volume of traffic over the line for at least ten years and that appropriate penalties will be paid if during any year of the term the shipments fall below the minimum volume agreed to.

As I have stated when similar bills have been before the house, the government supports and encourages capital projects submitted by the railway management which can be recognized as self-liquidating. The present project being in that category the government is pleased to commend it to the consideration of the house.

Railway revenues which will be received from the traffic guaranteed by the operations of the mining company will yield a reasonable surplus after meeting all expenses of operation and maintenance of the branch line, the cost of handling this traffic on the remainder of the system, interest on the cost of building the new line and interest and depreciation on the necessary equipment. The project is one which will assist in the further development of this part of the country. It is a sound one from an economic standpoint, and I am sure it will be favourably regarded by hon. members.

Mr. Robichaud: Mr. Chairman, I wish to thank the minister for his explanation in introducing the resolution preceding the bill which will provide for the construction of 15 miles of railway in my constituency of Gloucester in the province of New Brunswick. This construction has been made possible by the action taken by the present government of New Brunswick, which has urged the Brunswick Mining and Smelting Corporation interests to proceed with the development of this ore body or lose their privilege. Following this action by the government of New Brunswick financial arrangements have been made, notwithstanding the difficulties in present market conditions for base metals, and actually over 200 men are employed in the construction of a concentrator.

I can assure the minister that we approve of this legislation and I hope it will receive the full co-operation of the house as, unlike some other similar bills which have been introduced in the house in recent months, I might almost say—I recall one before the dissolution of the last parliament—tenders have already been called in this case. In fact, public tenders were called on November 29 for the clearing, grubbing and grading of the right of way for this line. When tenders were called it was mentioned that the contract would not be awarded before parliamentary authority was granted to proceed with the construction of the line.

Therefore I ask for the co-operation of the house in supporting this measure so that construction can proceed without delay and provide employment in an area where employment is badly needed at this time. Such a development means a lot to the province of New Brunswick and particularly to the northeastern section of the province. It is a move in the right direction and we are looking forward within not too many years to the construction of a smelter to take care of the production of Brunswick Mining and Smelting Corporation and other companies operating in the area.

Mr. Fisher: Mr. Chairman, the previous speaker was looking around the house when he referred to the difficulties in building branch lines and one wonders which one he was referring to. Is it the one into Gaspe? Is it the one up to Chibougamau? Is it the one to Esterhazy? Is it the one up to the Great Slave country? Branch lines are always interesting because of certain recent developments such as the MacPherson commission recommendations, which set out very clearly that branch lines should not be built unless they can be remunerative to the organization that is going to run them.

Our interest in this legislation was aroused, of course, since the government gave an indication that it really does not give a hoot about the remuneration but that the matter all depends on whether the branch line can have some political effect. Therefore I was

pleased to hear from the minister that this is a remunerative venture and that it has been so decided by the management of Canadian National. We will look forward to hearing more about this line in the committee. I should like to tell the minister that one of the things that is very hard to come by is the low cost of this line as it is estimated here. It must be very easy construction if they can build a 15 mile stretch for this price.

The minister also gave no indication where the concentrate, which we assume will be produced, will be shipped. The hon. member for Gloucester also indicated that in time it is hoped there will be a smelter, but if there is going to be a smelter in time, I suppose in five or six years, we wonder what is the efficacy of building a branch line just for hauling goods in. In the case of most mining properties, particularly base metal operations, normally the hauling in is not too great unless there is some particular chemical coming in in great quantities. Therefore one might wonder why a railroad is needed.

These remarks are not to be taken as objections to the bill but just as an indication that, keeping the Gaspe development from Matane in mind and remembering Esterhazy, we will be quite vigilant when this bill goes before the standing committee on railways, canals and telegraph lines. I hope that some of those members of the house, such as the hon. member for St. Lawrence-St. George, who were vigilant in committee quite recently on behalf of these wonderful private enterprise organizations will be there to take just as keen an interest in this effort that is going to be made by the publicly owned railway of Canada.

Resolution reported and concurred in.

Mr. Balcer thereupon moved for leave to introduce Bill No. C-93, respecting the construction of a line of railway in the province of New Brunswick by Canadian National Railway Company from Nepisiguit Junction on the Bathurst subdivision of the Canadian National Railway in a southerly and westerly direction for a distance of approximately 15 miles to the property of Brunswick Mining and Smelting Corporation Limited.

Motion agreed to and bill read the first time.

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

Some hon. Members: Now.

Mr. Chevrier: Now.

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

Mr. Balcer moved the second reading of the bill.

Mr. Chevrier: Mr. Speaker, as evidence of further co-operation from this side of the house, if the minister will undertake to send the bill to the standing committee on railways, canals and telegraph lines we will waive our right of discussion at this time subject, of course, to the approval of the other two parties, and when the bill comes back from the committee we will then discuss it in the usual manner.

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

COAL PRODUCTION ASSISTANCE ACT

ADJUSTMENT OF RATE AND TERMS OF REPAYMENT

The house resumed from Wednesday, November 28, consideration of the motion of Mr. Martineau for the second reading of Bill No. C-64, to amend the Coal Production Assistance Act.

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, it is not my intention to speak at any great length on this bill. The history of the Coal Production Assistance Act has already been outlined by the minister and the hon. member for Inverness-Richmond (Mr. MacEachen). I should like simply to add that it has been a very useful act in so far as the coal mining industry in Nova Scotia, and indeed in New Brunswick, is concerned, but more particularly in Nova Scotia where the largest production of coal takes place.

As you are aware, Mr. Speaker, the coal mining industry in Nova Scotia, as in the United States and other parts of the world, has been going through a very difficult period over the past number of years, due to intense competition from other sources of energy. However, I do not doubt that the industry would have been in an even more difficult position if this act had not been in force, along with other widespread measures that have been taken by this government to assist during this rather serious period.

Let me give the house an example of what I mean. In my constituency there were two large coal mines operated by Old Sydney Collieries Limited of the Dominion Coal Company, one situated at Florence and the other at Sydney Mines. There are also smaller mines owned and operated by other companies.

The Dominion Coal Company obtained a large loan under the provisions of this act and completely modernized and mechanized

their mine at Sydney Mines, which is known as Princess colliery. Many changes were made in their coal handling facilities on the surface and underground, among which was the erection of a modern coal washing and screening plant. As a result of this modernization, both below and above the surface, this mine was in a position to meet competition, as well as any mine could be, when traditional markets for coal began to be lost to oil, hydro power and natural gas.

It also had a further effect. In 1961 Florence colliery was closed and over 500 men found themselves without employment. However, since there was a market for coal from Princess colliery the work force at that mine was greatly increased. The result was that a large number of men from the Florence mine were employed immediately, and within a comparatively short period all the men put out of work by the closing of Florence were placed in Princess, which is only about three miles from their homes.

I might also add that the Bras d'Or Coal Company in my constituency, has also obtained loans under this act to enable it to develop and improve its coal mining operations. It would appear therefore that the coal mining industry in Nova Scotia has to some extent become stabilized. In 1961 the total production was just over 4,300,000 tons and the indications are that it will be about the same this year, and it should be remembered that a third mine was closed in August of this year.

So far as employment is concerned the closing of this last mine presented the most difficult problem of all. The employees displaced could not be absorbed into the working force of the other collieries, and the placing of what are known as permanent employees from this mine into other mines has caused some difficulty. In order to assist in the problem, the government of the province of Nova Scotia has instituted a pension plan for coal miners between 60 and 65 years of age in the New Waterford area, whereby those who have reached their sixtieth birthday can retire. Their places in the mines are then taken by men made idle by the closure of this last mine. I understand that close to 300 have taken advantage of this plan which is of considerable help in solving the problem, and the federal government has co-operated with the province in the financing of the plan.

I urge that the government, and I trust the minister is listening, through the dominion coal board and under the provisions of this bill would extend to the Dominion Coal Company every assistance and co-operation in the event that the company is desirous of erecting a wash plant, as it had planned a few years ago. This would provide the means whereby the coal could be made much more marketable.

Summed up in brief, if a better quality of coal is provided at the mine this would mean more sales, and more sales will naturally mean more employment for our coal miners.

The amendments contained in the bill will not, as far as I know, affect any companies in Nova Scotia so far as the minimum rate of repayment is concerned, but the bill can be, and will be, of assistance in so far as it deals with the question of repayment where a second loan is obtained before the first one is wholly repaid.

In conclusion let me say that the leaders of the united mine workers of district 26, particularly President William Marsh, Mr. Stephen Dolhanty, Mr. Michael Higgins and Mr. John Delaney, and also the provincial and federal governments and the Dominion Coal Company are to be highly commended for all their efforts towards alleviating a situation that could otherwise have been much more serious. Before I take my seat I should like to quote from a recent statement made by President Marsh, which appeared in the October 29 issue of the Cape Breton *Post*. This was a report of an address he made to the members of the Princess local of the United Mine Workers of America and I have no doubt Mr. Marsh had in mind the Coal Production Assistance Act and other measures when he spoke as he did. The report reads as follows:

> As part of the brighter picture presented by President Marsh, a statement was also made by him to the effect that, as far as Dosco is concerned, stability has been established in the Sydney Mines—Florence area. In one year following the closure of Florence colliery all the physically fit permanent and temporary employees of that mine have been placed in Princess, along with the temporary workers of the latter who were laid off at the time of the Florence closure.
>
> Referring to No. 16 closure in New Waterford, the union chief stated that the provincial government's pension plan is having a tremendous effect in cushioning harmful results that were expected to follow it. To date, he said, 290 applications have been made by miners in the category acceptable, making room for the same number of miners that would have been bumped . . .
>
> He said that the federal government's 30 cent subsidy in the eastern Canadian non-subvention area has had a very favourable effect and that it looks promising for the marketing of the coal produced.

I would hope that the minister would see fit, before this session is over, to bring in other measures that will definitely assist the coal industry.

Mr. H. J. Robichaud (Gloucester): Mr. Speaker, in order to follow the trend which is obvious in the house tonight, my remarks will be very brief. First I wish to express the

regret of the hon. member for Inverness-Richmond (Mr. MacEachen) who had intended to speak on second reading of this bill, but he is unable to be present tonight on account of illness. In introducing the resolution prior to the moving of this bill the Minister of Mines and Technical Surveys explained the purpose of the bill, which is to amend the Coal Production Assistance Act.

The amendments contained in the bill are of a minor nature, being to reduce the minimum rate of repayment in respect of a loan made by a mine producing sub-bituminous or lignite coal, which brings a lower price on the market than bituminous or semi-anthracite coal, and furthermore the extension of the agreement made with the Avon Coal Company of New Brunswick.

It is evident, Mr. Speaker, that this bill will by no means solve the serious problems of the coal industry in Nova Scotia and New Brunswick. Fortunately, in New Brunswick we now have a provincial government that is co-operating with the coal industry and at the present time we have under construction at Grand Lake a thermal generating plant which will use coal. It is estimated that approximately 100,000 additional tons of coal will be used annually when this plant is in operation. This policy is quite different from the policy which existed under the previous provincial government of New Brunswick, when they were building plants to use oil instead of coal.

Before this bill receives second reading I would hope the minister would expose to the house the position of the government on the recommendations contained in the report of the Rand commission. This report has been in the hands of the government for over two years. It was followed by a study by an interdepartmental committee appointed by the government to study the recommendations of that report. When I asked the minister just a few days ago what position the government had taken on the recommendations of the Rand commission, the only reply I could get was that, following the practice of the government such announcements would be made in due course. We feel that two years has been long enough for the government to arrive at a decision.

If this is the position this government intends to take on reports from royal commissions, we ask ourselves what is the use of appointing royal commissions. Is it only a delaying tactic? Is it only being done previous to an election in order to change the minds of the people or to distract them from the serious problems which are affecting a certain industry at a particular time? Therefore I hope that before this bill receives second reading the Minister of Mines and Technical Surveys will agree to inform the house on the position of the government. After all, it has been promised to this house on three or four different occasions by his two immediate predecessors. I hope we now have a minister who will keep the promise made by his predecessors and will tell us the position of the government on the recommendations contained in the Rand report.

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, on rising to speak on this occasion in support of the amendments to the Coal Production Assistance Act as set out in Bill No. C-64 which is at present before us, I first want to commend our Minister of Mines and Technical Surveys (Mr. Martineau) for the alacrity he has shown in getting this very necessary piece of legislation before the house. I would also like to congratulate the minister on his appointment to the portfolio of mines and technical surveys. I am sure he will enjoy every success in carrying out these new responsibilities.

Mr. Speaker, some of the members of this house, and particularly the new ones, may not appreciate my interest in this particular bill, but I would like to point out for the benefit of those members and for the sake of this discussion that approximately 20 per cent of Canada's total coal deposits lie within the boundaries of my great riding of Moose Mountain in southeastern Saskatchewan. This coal industry is situated close to and in the general area of Estevan, Bienfait and Roche Percée and is developed by several well known companies, including the Great West Coal Co. Ltd., the Manitoba and Saskatchewan Coal Co. Ltd., and the Dominion Briquettes and Chemicals Ltd. The former two companies employ 75 to 95 men and are capable of turning out, or have a capacity of 100 railroad cars of coal per day in peak periods. The Dominion Briquette plant turns out the only carbonized briquette manufactured in Canada and is well suited for home and industrial use. This plant has also recently become well known for its high quality Rodeo brand barbecue briquettes, which are finding a very important place in the new and expanding market in North America for this popular necessity.

This lignite industry, like a great many other industries has had to meet the competition that has become so prevalent in this modern world. In this case large sources of gas and oil have been developed in the same general area as the lignite coal deposits, and as a result have complemented or to a large extent have replaced the fuel supply in both the domestic and commercial fields. It is this situation which has not only affected the coal industry adversely in my area of Saskatchewan, but also the industry in other

parts of Canada. It was because of this situation that it was found necessary to introduce the Maritime Coal Production Assistance Act in 1949. This act was later amended in 1959 to eliminate the word "maritime" from the title. The original intent of the act, and an intent that still remains basically the same, was to provide loans to the various coal companies throughout Canada to provide them with capital to modernize or provide more automation for their plants and thus cut down production overhead costs and help them maintain a more competitive position in both local and world markets.

The minister went into some considerable detail in this respect regarding the amendment to this act when he introduced it into the house, and I will not transgress on the time of the house by repeating these details. I would, however, like to say that in the old act brought in under the former government there was a serious discrepancy that prejudiced the position of the lignite industry when it required to make use of the benefits under this act. This discrepancy was in the repayment of loan terms of the act. Under the former act the repayment by coal companies borrowing for modernization was assessed on the basis of 30 cents per ton semi-anually for each ton of coal produced in each year. This formula appeared fair until it was applied to the lignite industry, when the discrepancy I have previously mentioned became apparent. The average wholesale value for bituminous or semi-anthracite coal is roughly $8 to $10 per ton at the pithead, whereas the average wholesale price of subbituminous and lignite coal ranges down in value to the lignite industry in my area, where the average value per ton ranges from $1.90 to $2 per ton at the minehead.

It immediately becomes apparent that percentagewise 30 cents per ton repayment on a wholesale value of $10 per ton is much smaller than 30 cents per ton on a $2 per ton value; or conversely, the 30 cents per ton repayment on the $2 per ton lignite is proportionately much too high. It was on this basis that I had the pleasure of making direct representation to the acting minister of mines and technical surveys, the Minister of Northern Affairs and National Resources, and to Senator Flynn, the former minister of mines and technical surveys.

Mr. Speaker: Order. I hesitate to interrupt the hon. member, but I think he knows the rule about reading speeches. I have not said anything about this in the past, and I do not want to pick on the hon. member particularly; but I think that now we have been in session for some two and a half months we could adhere more closely to this rule. While it is permissible to have notes for statistical information, and so forth, I think hon. members will all recognize that they were not so long ago very eloquent without any notes, otherwise they would not be here. I do not think the fact that they were elected to this house made them lose their natural eloquence. I would prefer that we come back to the idea of more spontaneous speeches. This applies throughout the house.

Mr. Southam: Thank you, Mr. Speaker. I will try to refer only occasionally to my notes. It was on the basis of the foregoing that I had the pleasure of making representation to the acting minister of mines and technical surveys, and then to the present Minister of Mines and Technical Surveys. Through those representations this important amendment to which I have been referring has been brought into being. And, as a consequence, our present Minister of Mines and Technical Surveys has introduced this bill into the house to amend the act to eliminate the present anomaly I have pointed out. This important amendment I have been referring to, in effect reduces the repayment of loans on a per ton basis to 30 cents, 24 cents and 18 cents respectively, according to the aforementioned qualities of coal.

Mr. Speaker, this action has received the approval of the lignite coal industry, and I must also say at this point that the appointment last May of Mr. John Malcolm Brodie, managing director of the Great West Coal Company to the vacancy on the dominion coal board found widespread approval in the lignite coal industry in my riding. Mr. Brodie's father, now retired and living in Victoria, had a long association with the coal industry, not only in Saskatchewan but throughout Canada, and was chiefly responsible through years of effort and research for bringing the lignite coal industry of Saskatchewan to its present high standard of development, and state of efficiency.

Mr. Brodie's appointment to this board places him in a position to give the lignite industry of Saskatchewan the representation it so sorely needed in the higher councils dealing with the coal economy of Canada.

Mr. Speaker, at this point I should like to express my personal thanks to the Prime Minister for taking cognizance of my representations on behalf of Mr. Brodie and for allowing me the privilege last May to make the press release announcing Mr. Brodie's appointment to this important position.

Mr. Speaker, these timely actions on the part of the Prime Minister and the Minister of Mines and Technical Surveys once again

demonstrate the positive action this government takes to assist any sector of our economy that may be encountering difficulties.

Mr. H. R. MacEwan (Pictou): Mr. Speaker—

An hon. Member: What's the matter? Don't you want it to go through?

Mr. Speaker: Order. I think that any of those remarks by hon. members who have not got the floor in regard to hon. members rising from any part of the house are quite improper. I think we have got over the week end. We saw a fair amount of cheering and heckling one way or another and I believe we can now conduct our business without that.

Mr. MacEwan: I am sure my constituents in the county Pictou will appreciate the fact that certain hon. members opposite do not want to hear me make representations on their behalf. I listened with interest to the remarks of the Minister of Mines and Technical Surveys. During the few years I have been in this house I have listened to some of the other ministers; I commend the present minister in this regard. He is minister of mines and also the minister responsible for technical surveys. I have had something to do with the hon. gentleman in that respect and I am sure he will show great sympathy for our problems in a field which is so important to the maritime provinces. We are now being asked to consider the amendment of the Coal Production Assistance Act. The history of this act was given by the hon. member for Inverness-Richmond (Mr. MacEachen). As we all know, amendments are necessary from time to time in connection with this important act so as to keep various measures flexible. Coal mining is still an important industry in Canada. It is a very tough industry. Acts such as the one we are considering are most necessary to provide needed funds to the various companies. I understand, having spoken to officials of the dominion coal board several years ago, that this act provides for assistance to mines presently in production. As far as I know it does not include within its ambit the lending of money for the mechanization of new mines. I am sure, of course, that if new mines were opened in a constituency such as my own, or in any part of Cape Breton island or, for that matter, in this country, the government would not hesitate to bring in an amendment to make the act apply to new mines as well.

The mechanization of mines is most important, as was emphasized by the hon. member for Inverness-Richmond. It is true that the mechanization of coal mines in Nova Scotia, particularly by the Dominion Coal Company, has not proved as successful as was hoped, but it was none the less absolutely necessary. This has been proved by the experience in the MacBean mine in my own area which has been turned, by mechanization, into an efficient operation. In the last number of years, as far as I can recall, there has been no lost time in that mine.

I listened to the remarks of the hon. member for Gloucester (Mr. Robichaud) when he spoke about the great provincial government in New Brunswick which was co-operating with the mining industry by setting up a thermal plant. May I point out that the government of the province of Nova Scotia operates a thermal plant at Trenton in my area and that this same government with the assistance of the Atlantic Provinces Power Development Act has provided for an extension to that plant costing several million dollars, and for transmission lines both within the province and between Nova Scotia and New Brunswick. This plant has been a godsend to us because it takes a great deal of the production of the MacBean mine, the Greenwood mine and the Drummond mine.

Finally, I noted that the hon. member for Cape Breton North and Victoria (Mr. Muir) put forward a submission that if a new wash plant was needed in his area this should be provided. And in the Montreal *Gazette* of November of this year, Mr. A. L. Fairley, president of the Dominion Coal Company is reported to have said—I will paraphrase his words—that there are new bright spots on the horizon for the coal industry which it was hoped would serve to make up any losses. There was already a halt in the sales decline.

Mr. Fairley went on to say:

> Now it is planned to spend more money on capital improvement and modernization in the immediate future. Capital expenditures over the next few years will be increased at a rate somewhat above that which has existed during the past three years.

Again, I commend the minister on the introduction of amendments to this important act. I know it applies to the province of New Brunswick among others and that it is important for the mines in that area. As I have already stated, the revision of acts such as this must constantly be kept in mind as must be measures such as the Atlantic Provinces Development Act which has helped to bring cheap power to the maritimes while at the same time helping our coal producers. Submissions will, I know, be made to the government from time to time to keep a watchful eye on these matters, to be flexible and ready to come forward with improvements to legislation which is most important to the maritime provinces as well as to other parts of this country, as was pointed out by the hon. member for Moose Mountain (Mr. Southam).

Mr. H. W. Herridge (Kootenay West): Before I begin my few brief remarks, Mr. Speaker, I can assure you they are the result of spontaneous combustion. I always enjoy reading bills of this nature and realizing while I read them that they are an illustration of the great exponents of free enterprise enjoying certain advantages under the welfare state.

I am sure many of these gentlemen who are heads of these corporations will have been along to meetings of chambers of commerce of the Canadian Manufacturers' Association and would have spoken quite harshly last summer against the rapidly developing welfare state. But their criticism is always directed to the poor, the crippled person, the old age pensioner or someone of that kind who needs assistance because of ill health, while at the same time they unblushingly come before this parliament to receive assistance in the form of grants or loans.

An hon. Member: Order.

Mr. Herridge: Someone shouted "order". I am strictly in order, as usual.

I freely admit, and I think most members would admit, that this is a form of welfare under capitalism, under the exponents of free enterprise. It is our responsibility to see that if this is of benefit to certain sections of Canada, and to the coal industry in those sections, the money is used to the advantage of the Canadian people, to the advantage of the employees and to the advantage of the Canadian consumer.

I suggest that before this debate on second reading concludes the minister should inform the house what responsibility these companies accept toward their employees when they receive loans from the federal government. What responsibilities do they accept to the Canadian consumers? I have had complaints from constituents of mine that since these loans were granted—and in some cases these companies were primarily concerned at the present time with supplying overseas markets, such as the Japanese coal market—less attention has been paid to the needs of Canadian consumers with regard to quality and price. I am told by some of my constituents, who have complained to their local coal dealers, that those coal dealers told them the quality of coal which they have been receiving since these large exports of lignite coal were undertaken to Japan has been lower than it was previously, and the price has increased. I think the minister should inform the house what agreement the company has with the government with respect to the reports it makes to the coal board, with respect to the responsibility it accepts toward its employees, and with respect to the responsibility it accepts towards the Canadian consumer as to quality and as to price.

Mr. Speaker, in my opinion this legislation should be referred to the committee on mines, forests and waters so that the members on that committee can ask questions and seek information, because I am of the opinion that when we assist, and extend welfare to these companies they should accept the same sort of means tests that the individual in Canada accepts when he accepts welfare under certain circumstances from the province. The members of this group would like to see this bill sent to the committee so that the members of the committee could inquire into all these things and make certain that these loans are being used to the greatest possible advantage of the Canadian people as a whole, of the employees directly concerned, and of the consumers of coal.

Mr. Lawrence E. Kindt (Macleod): Mr. Speaker, it is a pleasure indeed to participate in the discussion on Bill No. C-64.

Some hon. Members: Hear, hear.

Mr. Kindt: I am very pleased to see the opposition give me that ovation. It is not very often that you find them very charitable. But let me say this, that this bill which has been drafted for the purpose of assisting the coal operators and miners in all parts of Canada is appreciated in the west, and while we have not made full use of the act, its objectives are clear. These objectives are to assist operators to lower their costs of production and to make them more competitive in the foreign and domestic coal markets.

Let me deal first with the province of Alberta. We have there approximately 7 per cent of the world's supply of coal. How many hon. members knew that before? What we have lacked most in the past has been markets. The market we did have for steam engines for the C.P.R. has now almost completely vanished. Therefore, in 1957 the miners and operators in the Crowsnest pass, which is part of the constituency I have the honour to represent, found themselves without coal markets, and may I say, in a dreadful position. I recommended to the government of Canada that we subsidize the shipment of coal to Japan. But we were up against a number of problems. The Japanese market had not been using any of our coal prior to that, and it was necessary to send trial shipments. This was accomplished and the Japanese, as well as ourselves through our research council, and the coal operators themselves, made tests to determine the metallurgical value of Canadian coal and coking

and steel production. I should like to say that the coal in western Canada is not all of the same quality. Some of it is bituminous coal used for firing stoves and such like. I have in mind that which is mined at Drumheller. But in the Crowsnest pass you have high quality metallurgical coal of approximately 1,300 B.T.U.'s and it is used primarily for steam production and in the steel industries. It is shipped to Japan and there mixed with their domestic coal for steel production.

It took time to work out these arrangements, but the recommendation I made in 1957 was looked upon with favour by this government, and a few thousand tons were shipped during the first year for experimental purposes. Then gradually over the years it has been stepped up, until last year about 700,000 tons of coal were shipped to Japan. In the coming year it is expected that this figure will be increased to 750,000 tons. There is a small subsidy on this coal of about $3.15 per ton. May I say that those shipments of coal have gone a long way in preserving the coal industry of western Canada, and also providing the people there with good homes, with jobs, and with all those things you look for in a given area. It has been these shipments of coal to Japan which have helped to keep that area alive.

That is also true not only on the Alberta side of Crowsnest pass but at points west in British Columbia. The miners in the Crowsnest pass appreciate the efforts which have been made by this government to get those coal shipments rolling to Japan. The operators have co-operated 100 per cent. The coal board has made a searching investigation of the cost of mining coal. There is an attempt on the part of the coal board, the operators, the miners, and everyone else associated with the shipment of coal to Japan, to reduce costs so as to get this subvention down to a point where it will stand more upon its own feet. In other words, what we want are lower costs at the loading facilities in Vancouver. I may say that those loading facilities have reduced costs to some extent. We want lower costs of mining, and technological improvements in the mines have lowered costs. In the future we may expect a lot more by way of lower costs. By stepping up the volume of coal to 750,000 tons, the operators themselves have been able to lower their own profit margins and likewise the transportation costs of the C.P.R. Now that volume shipments are being made the C.P.R. is giving consideration to lower costs of freight. In other words, this movement of coal to Japan has made a place for itself and it should remain over the years as an export market for this high quality metallurgical coal mined in the Crowsnest pass.

As I have already said, some five years ago in the Crowsnest pass people were moving out; houses were vacant; little painting was being done and there was a downcast look in every nook and corner. Today, however, when you go into the Crowsnest pass you find it is a thriving, booming area and the people are optimistic. They have jobs. The economy is booming and there is very little unemployment. In other words, the point I wish to make is that this movement of coal to Japan has been a success and it will undoubtedly move in the direction of being more and more of a success.

We are looking forward to industrialization in the Crowsnest pass and the establishment of petrochemical industries. With this vast quantity of hydrocarbons it is possible to make not only a few of those commodities which are commonly known to people but also with the help of natural gas some 10,000 products which will be brought out to help and to assist mankind. You can name dozens and dozens of products which can be made from the hydrocarbons found in coal and also in petroleum.

In closing I wish to congratulate the new minister on his accession to the portfolio he now administers. I can assure him that, in so far as the west is concerned, we are looking forward to a continuation of this coal market in Japan. We are looking forward perhaps to some small expansion of it, if possible, if costs can be lowered. The people of the Crowsnest pass appreciate the efforts of this government—and they have said this to me time and again—since the starting and establishing of this market for coal in Japan.

Mr. R. G. L. Fairweather (Royal): Mr. Speaker, I would be neglectful of my duty to the Minto-Chipman coal area of the constituency I represent if I did not say a word or two about this bill which will enable one of the two most modern coal producers in the Minto-Chipman coal complex to retain a very substantial and important coal market in the United States. This bill will make this result possible. The second feature which will ensure the retention of this important market was taken early in May of this year when the government revalued the Canadian dollar. Both these things have been of great benefit to the exporters of coal in the United States.

Avon Coal Company is a modern company using the best of equipment. Their labour relations are good and their ideas are progressive. They are being substantially assisted by the government of Canada in this enlightened policy. I too should like to share with others the congratulations that have been extended to the minister and to thank him particularly for the third section of this bill.

Some hon. Members: Carried.

Mr. Deputy Speaker: I recognize the hon. member for York South.

Mr. David Lewis (York South): Mr. Speaker, I will not take more than a minute of the time of the house in order to say merely this. I do not represent a coal mining district in Canada—

An hon. Member: Then why are you talking?

Mr. Lewis: I am talking because I believe the bill before the house concerns an industry which is and for many years has been of vital interest to the country as a whole. Since the Carroll commission report, from which the legislation which is being amended by this bill originally derived, there has been another commission and another report, namely the Rand report. Prior to the Carroll commission there were a number of other commissions inquiring into the coal industry of the country and, particularly of the Atlantic provinces.

Over the years those of us who have tried to understand the economy of Canada a little bit have read some of these commission reports. We have found that from time to time some legislation is passed patching up some immediate difficulty, making some improvement here, or providing some kind of financial assistance there. However, at no point in the history of the past decades has any government or parliament of this country done that which in my respectful submission is essential, namely to evolve for the coal industry of Canada a program which, as far as human beings can do so, will take care of the industry and of the people dependant on it in a long range way.

Despite all the legislation we have passed, one reads in the papers of continuing and increasing unemployment in the coal areas. One sees, as I did about a year ago when I visited Cape Breton island, that mines are still being closed, with the miners working about half the time during the year. They take turns at being employed and turns at being unemployed. We hear that the industry is still in an unhealthy state, and that we have to continue giving assistance from year to year. I rose merely to express the wish that I am sure is shared by many members in this House of Commons, namely that the time may come when the government of this country will sit down and work out a program for the industry; will seek new markets for the products, and new ways of dealing with coal; and will set up a program that would make the industry a viable one that would not require the kind of assistance that has been required in the past. In the meantime, it requires that help. We will, of course, support the bill before the house as it improves the situation a little bit more, just as legislation has done over the years.

When another matter comes before the house in the next day or two I hope that some more long range plans will be presented to deal not only with the whole of the Atlantic provinces but with the coal industry, which is the basis of the principle of this bill.

Some hon. Members: Carried.

Mr. Speaker: I must warn hon. members that if the minister speaks now he will close the debate.

Some hon. Members: Carried.

Hon. Paul Martineau (Minister of Mines and Technical Surveys): Mr. Speaker, I wish to be very brief at this time. First, may I thank all hon. members who have participated in this debate. Their contributions and suggestions have been most useful. I regret that the hon. member for Inverness-Richmond (Mr. MacEachen) is unavoidably absent tonight because I know he would have had certain points of view to put before the house on this matter.

With regard to remarks of the hon. member for Gloucester (Mr. Robichaud), the purpose of the present legislation, as he mentioned, is to implement minor amendments to the Coal Production Assistance Act. These amendments are designed specifically to help those companies which have already contracted loans under the terms of the act to meet their commitments with greater ease and to fulfil more adequately the purpose of the legislation, that of providing financial means for the operators to produce coal more efficiently. The hon. members for Cape Breton North and Victoria (Mr. Muir), Moose Mountain (Mr. Southam), Pictou (Mr. MacEwan), Macleod (Mr. Kindt) and Royal (Mr. Fairweather), who spoke on the bill, have shown by specific examples how this legislation has helped the coal industry in their respective constituencies, areas or provinces.

I should like to refer in a little more detail to the remarks made by the hon. member for Kootenay West (Mr. Herridge). Although under the present bill we are providing financial assistance to coal operators, he may be assured that we are still committed to the system of free enterprise. I can assure the hon. member that the bill, far from impairing that system or philosophy, tends on the contrary to reinforce it because it provides a means for private operators to produce more coal at cheaper rates and also to assist them in developing proper markets. The hon. member for Kootenay West was a bit worried

whether the responsibilities of the companies that are being assisted under this act are being properly discharged with regard, first, to the employees of the mines and, second, with regard to the consuming public.

So far as the employees are concerned, the precise fact is that this assistance helps the coal mines to keep their employees at work and to provide better working conditions for the miners. With regard to the consuming public, I would point out that the coal exported under assistance on movements of coal to Japan is not at all the type that is used in the domestic market for home furnaces and other uses. As a matter of fact, before the market in Japan was developed no market at all existed for this type of coal. It is a bituminous coking coal that forms in slacks and is not suitable for furnace consumption. Therefore the hon. member may rest assured that such assistance as is being provided does not affect the availability of other types of coal for the people of his constituency or his province.

However, as I told him personally before, if he has any particulars or complaints I am sure the coal board will make a full investigation and assure itself that no one is lacking in supplies of coal because, as most of the hon. members who participated in the debate outlined, the main problem affecting the coal industry today is markets. The policy of the government has been to keep the coal industry as active as possible by providing assistance and by developing markets.

The hon. member for Gloucester asked if I would make a policy declaration at this time stemming from the report of the Rand commission which investigated the coal industry a few years ago. I am not prepared to make an extensive statement in that regard this evening but I hope to be able to delve into more detail when the estimates of the dominion coal board are before the committee of supply. The present policy, of which the legislation before the house is a mere extension and enabling modification, is the one that was evolved in the late 1920's for the purpose of providing assistance on the movement of Canadian coal from the producing areas in eastern and western Canada to the large consuming areas in central Canada. Over the intervening years this assistance has amounted to some $150 million and has provided for the movement of some 72 million tons of Canadian coal. In addition, as hon. members will realize, it has provided substantial employment to coal miners mostly in eastern Canada but more latterly in certain parts of western Canada and Alberta in particular.

In 1959 the Rand commission was appointed and its recommendations have been carefully reviewed, particularly in the light of various representations and objections received. The commissioner has set out in broad outline in the text of his report his findings and proposed remedies while the means for applying the proposals are set out in many specific recommendations. Under the present condition of change in the coal industry it has been our belief that the time is not yet ripe for the application of any radical, new and specific proposals or approach. However, at the same time, and I should like to emphasize this, the policy has been directed not only to maintaining the increased rate of assistance initiated in 1959 but to adopting many of the more general proposals set out in the body of the report.

Hon. members know that three mines have closed in Cape Breton; but as a result of action to spread out these closures and to provide alternative employment the impact on employees has been much less. Many of the men were taken on by the remaining mines and as a result employment has been kept at a rather stable level in the coal industry because of these measures. That is about all I have to say in closing the debate on second reading, and I wish to terminate by assuring hon. members that their remarks will be most carefully considered.

Motion agreed to and bill read the second time.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, before I ask for the business of the house I am sure you would have no objection if I were to tell the house leader that we have co-operated today to the fullest extent with our friends on the other side by putting through the Freight Rates Reduction Act, the harbours bill, the aeronautics resolution and the resolution and bill having to do with a railway line in the province of New Brunswick. This is a very strong indication of our desire to assist the government in getting legislation through before the Christmas recess. However, our recompense for having done so has been a filibuster from the other side of the house on the Coal Production Assistance Act. Undoubtedly those of us who sit on this side could come to no other conclusion but that there was a filibuster by members on the other side who not only spoke on matters that had nothing to do with the bill but also spent a great deal of time discussing matters which would be much better discussed in the debate on the speech from the throne.

Having said that, perhaps the house leader might give some indication of what we could do tomorrow and the rest of the week, so that we can consider again to what extent and in what measure we can assist the government in getting on with its legislation.

Mr. Churchill: I would like to thank all hon. members of the house for their co-operation today. It has been a good day in regard to getting business through. I regret that the hon. member for Laurier had to introduce some remarks with regard to filibustering, which I think is unfair to hon. members coming from areas where coal is produced and who are interested in this particular problem.

I would like to call for tomorrow third reading of Bill C-3, an act to amend the Food and Drugs Act in the hope that there will not be an extended debate on the bill at that stage because I make the promise, all being well, that the special committee to consider and report upon various matters pertaining to drugs and insecticides will be called on Friday at the latest this week, the understanding being that during the course of the studies of that committee, things that pertain to Bill C-3 would be taken up by it.

The second item would be the resolution standing in the name of the Minister of National Revenue dealing with the Atlantic development board. The third item will be the resolution in the name of the Minister of Trade and Commerce dealing with the National Productivity Council Act. The fourth item will be committee stage of the bill which we have just completed on second reading, relating to coal production.

If the house moves as quickly tomorrow as it did today then we would consider as No. 5 Bill C-83, an act respecting industrial change and manpower adjustment. No. 6 would be Bill C-70, to provide for the safety of persons employed in federal works. If those are all completed I would then call items standing in the name of the Minister of Justice which have been called before. That, I think, would consume the time of the house for Tuesday and Wednesday.

I have already given notice that we expect to get on with the national economic development board measure on Thursday.

Mr. Douglas: May I direct a question to the house leader. It might save some debate on the drug act if it were possible for us to have a copy of the terms of reference for the special committee.

Mr. Churchill: It was introduced today.

It being five minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, December 4, 1962

The house met at 2.30 p.m.

PUBLIC ACCOUNTS

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. Alan Macnaughton (Mount Royal) presented the first report of the standing committee on public accounts and moved that the report be concurred in.

Motion agreed to.

(Translation):

CANADIAN NATIONAL RAILWAYS

AMENDMENT TO REDUCE SALARY OF PRESIDENT

Mr. Gilles Gregoire (Lapointe): In the absence of the hon. member for Villeneuve (Mr. Caouette) and at his request, may I have the unanimous consent of the house to introduce his bill?

Mr. Speaker: Does the house consent unanimously to the hon. member for Lapointe introducing the bill in the name of the hon. member for Villeneuve?

Some hon. Members: Yes.

Some hon. Members: No.

(Text):

NATIONAL DEFENCE

NUCLEAR WEAPONS—REFERENCE TO STATEMENT BY TRADE MINISTER

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, in view of the answer reported to have been given by the Minister of Trade and Commerce to a question asked him yesterday, whether nuclear arms were in Canadian custody at the present time: "No, not as far as I know", may I ask the Prime Minister whether he will inform this house, including his colleagues in the cabinet, whether Canada does possess nuclear weapons at this time?

Right Hon. J. G. Diefenbaker (Prime Minister): I am sure the hon. gentleman never made the statement in question, because each and every one of my colleagues knows what the house already knows, namely that we have not.

Hon. George H. Hees (Minister of Trade and Commerce): Perhaps I might answer the Leader of the Opposition. I mentioned the atomic capability of the weapons used by our forces overseas, and the reporter mistook this to mean atomic weapons.

Mr. Pearson: A supplementary question to the Minister of Trade and Commerce. Would he inform the house what he meant by his reported answer yesterday in Toronto that the departments of government, other than the Department of National Defence, are all too large to know the details, that is about atomic weapons?

Mr. Hees: I am delighted to reply to the Leader of the Opposition and let him know the answer to his question. I was asked by the reporter concerning some questions about details of the weapons used by our forces, and I said that to get detailed information about those weapons he should, of course, refer to my colleague the Minister of National Defence.

Mr. Pearson: You were misquoted, then.

Mr. Hees: No, not at all.

Mr. Speaker: Order. I trust that we will not get into a minor debate here on national defence. The hon. member for Bonavista-Twillingate.

Mr. Herridge: Mr. Speaker, may I ask the minister—

Mr. Speaker: Order. I was under the impression that the hon. member for Bonavista-Twillingate was rising to ask a supplementary question, but if he was not, then—

Mr. Pickersgill: You were quite correct, sir.

Mr. Speaker: Then I will recognize him.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the minister a supplementary question about his interesting peregrinations in the University of Toronto. Would the minister explain to the house his reported statement that a study of Canada's anti-combines legislation is underway in Ottawa to search for a safe means of allowing industrial concentration to take place?

Mr. Speaker: With the greatest deference, I hardly think that is a supplementary. We were on the subject of nuclear weapons. If the hon. member for Kootenay West is on that narrow field he may ask a supplementary.

Inquiries of the Ministry

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I will broaden the field; it is a question now. I should like to ask a question of the Minister of National Defence. Is NATO a nuclear power?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, two of the countries of NATO and a third partially are nuclear powers. In other words, as the hon. member and I think all hon. members know, the United States and the United Kingdom both have nuclear weapons, and France is in process of building them. The hon. member asks whether NATO is a nuclear power. NATO is an alliance of nations, three of which have nuclear capabilities.

Mr. Pearson: May I ask a supplementary question of the minister. Could he inform the house how many NATO members have bilateral agreements with the United States for the control of nuclear weapons?

Mr. Harkness: Mr. Speaker, I do not think I am in a position at the moment to give that information. The information would have to come originally from the United States, which is one party to all the bilateral agreements which exist.

[*Later:*]

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to ask the Prime Minister if he will now agree to the setting up of a special parliamentary committee on defence, in order that all members of the house including, and perhaps more particularly, members of the ministry may have an opportunity to inform themselves.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, it is a most desirable objective that the hon. gentleman should have information, but in so far as a committee is concerned there has been no change in the attitude of the government.

NATO—INQUIRY AS TO SUITABILITY OF F-104 PLANE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): May I direct a question to the Minister of National Defence. In view of the report from Bonn yesterday to the effect that the Starfighter is unsuitable for the role assigned to it, may I ask the minister whether this is the same aircraft as that known as the CF-104, which is being manufactured for the Canadian NATO air division?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I have not seen the report referred to. Until I have seen what it is I should not like to comment on this particular matter. The Starfighter is a name which is applied to the F-104. However, I might point out that the F-104 comes in several configurations. Some of them are strike reconnaissance planes, others are fighter bombers and still others are straight fighter aircraft.

COMBINES

REPORTED INQUIRY INTO METHODS OF PERMITTING INDUSTRIAL CONCENTRATION

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Perhaps the Minister of Trade and Commerce, who was so anxious to do so a moment ago, would now answer my question.

Hon. George H. Hees (Minister of Trade and Commerce): Yes, I would be very glad to. Consistent with the policy of this government and my department continually to seek ways in which Canadian companies and individuals can become more productive, and thereby provide more jobs for their fellow Canadians to work at—

Mr. Speaker: Order. I suggest with deference to both the questioner and the minister that we are not now back in the University of Toronto. Let us get on with the business of this house.

Mr. Pickersgill: Mr. Speaker, on a point of order, the hon. gentleman made a statement in Toronto on government policy, or what purported to be on government policy, to the effect that the combines act was going to be changed to allow industrial concentration to take place. I suggest, sir, that is not a subject for debate, that is a proper subject for inquiry in the house. If government policy is to be announced in the University of Toronto, we are surely entitled to know about it here.

Mr. Speaker: I am not denying that for one moment. I was cutting off what I was beginning to feel was becoming a political debate instead of an answer.

Mr. Pickersgill: The minister was making a speech.

Mr. Speaker: Let us also watch our questions, as well as the answers.

Mr. Hees: Consistent with the aims of this government, of which I spoke a few moments ago, I did not announce any government policy. I simply informed the press conference at which I was speaking yesterday that my department is searching into ways and means which it could suggest to the justice department of amending the act so as to allow this very desirable circumstance to

take place, which would result in more productivity on the part of Canadian companies without infringing upon the interests of the individual Canadian in any way whatsoever.

HOUSE OF COMMONS

ST. JOHN'S WEST, NEWFOUNDLAND—INQUIRY AS TO BY-ELECTION

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): Mr. Speaker, may I direct a question to the Prime Minister. It arises out of a reply he gave me on November 20, as recorded at page 1808 of *Hansard*. Does the Prime Minister not think that the residents of St. John's West, Newfoundland, are entitled to a representative in the House of Commons as soon as one can be elected?

Mr. Speaker: Order. It may be that the hon. gentleman may desire some information about a by-election. However, when he indicates at the beginning of his question "Does he not think that" I am sure he is inviting an argumentative answer. Within those limitations I think I will allow the question, but with some doubt. If the Prime Minister wishes to reply he may do so.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not know what the limitations are. Under law the government is required within a certain period of time to call by-elections. This government has called by-elections within a reasonable time. That course will be followed.

Mr. Pickersgill: Mr. Speaker, may I ask the Prime Minister a supplementary question?

Mr. Diefenbaker: No.

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

An hon. Member: Dictator.

Mr. Pickersgill: More bad temper.

Mr. Speaker: Order.

Mr. Tucker: May I ask a supplementary question. Does the Prime Minister think that a Liberal seat for our worthy leader at this time would be an appropriate New Year's gift?

Mr. Speaker: I think I will not comment on the question. I recognize the hon. member for Coast-Capilano.

INQUIRY AS TO CHRISTMAS RECESS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Prime Minister. For the convenience of aging members of parliament who have got beyond sitting up in a day coach, can the Prime Minister inform the house when he expects we will adjourn for Christmas so we can make the necessary arrangements for sleeping accommodation?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, that is a most desirable objective. I want the hon. gentleman to sleep and sleep comfortably at all times. We will try to give an answer to this question at an early date, having regard to the progress made with the matters that are before the house.

POWER

COLUMBIA RIVER—REPORTED TALKS RESPECTING SALE OF DOWNSTREAM BENEFITS

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. The minister was good enough on Friday to tell the house that the Canadian government was currently participating in negotiations to sell downstream benefit power in the United States. Why is it doing so when, according to article VIII of the Columbia river treaty, the terms under which this sale can be made are to be established "as soon as possible after the ratification date"?

Mr. Speaker: Order. When an hon. member says "Why is it doing so because" he is inviting argument or is advancing argument, and that procedure is quite contrary to standing order 39.

[*Later:*]

Mr. Davis: Mr. Speaker, I have reworded my question to the Secretary of State for External Affairs. What is the point of the current negotiations on the Columbia, when the terms under which downstream power is to be sold in the United States—

Mr. Speaker: Order. The hon. member will recognize immediately that he was arguing the point when he said "What is the point", in doing certain things, "if". I think he will agree that he is quite out of order.

HOUSING

REQUEST FOR GUARANTEES UNDER ACT ON MORTGAGES ON EXISTING HOMES

On the orders of the day:

Mr. S. P. Ryan (Spadina): Mr. Speaker, I have given the Minister of Public Works notice of this question and I should like to put it to him now. In order immediately to further the winter works program,

will National Housing Act guarantees on maximum first mortgage loans by private lenders on existing homes be made available, provided that all necessary and stipulated interior renovations and mortgage advances are made in the winter months, save for any needed advance or hold-back for completion of exterior work in the fall or spring?

Mr. Speaker: Order. It may be that the minister may wish to answer the question. However, I suggest to the hon. member that his question is rather long and involved.

Hon. E. D. Fulton (Minister of Public Works): The answer is that as I have indicated earlier, the suggestion which has been advanced on a number of occasions, not only by the national house building association, that mortgage advances on existing houses be covered under the National Housing Act is under consideration. When a decision is reached it will be announced in the ordinary way.

BUSINESS OF THE HOUSE

COLUMBIA RIVER—CONSIDERATION OF TREATY BY COMMITTEE

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): I should like to direct a question to the Prime Minister. In view of the obvious misunderstanding and certainly the disagreement of opinion among important sectors of the people of Canada, would the Prime Minister consider placing the draft Columbia river treaty before a committee of parliament before the Christmas recess?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not agree in any way with the expression used by the hon. member as to any misunderstanding. As far as the question in particular is concerned, the answer is no.

EXTERNAL AFFAIRS

INDIA—STATEMENT AS TO MILITARY AID REQUESTED

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I now wish to answer a question which was asked yesterday by the Leader of the Opposition in regard to artillery and long range mortars requested by India. A review of the records reveals that India made a request to several countries, including Canada, for mountain artillery and long range howitzers which could reach up to 10,000 yards. They needed them urgently in order to deal with the Chinese onslaught. The matter was looked into and it was found that the mortars available in Canada were not of the type the Indian government needed and that in so far as mountain artillery was concerned, which they requested, we had none.

O.E.C.D.—ACTION TO ASSIST LESS DEVELOPED COUNTRIES

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, my question is directed to the Minister of Justice and arises out of the papers he tabled yesterday with regard to the council of ministers of the O.E.C.D. Can the minister indicate to the house at this time what steps the government is taking pursuant to the ministerial resolution to assist in formulating concerted policies designed to further the economic development of the less developed countries?

Hon. Donald M. Fleming (Minister of Justice): All appropriate steps, Mr. Speaker.

INDIA—REQUEST FOR STATEMENT ON PRESENT POSITION

On the orders of the day:

Mr. David Lewis (York South): I should like to address a question to the Secretary of State for External Affairs. Has the minister any recent information about the withdrawal of Chinese troops from the Indian border and the general situation in that part of the world?

Hon. Howard C. Green (Secretary of State for External Affairs): No, Mr. Speaker, there is nothing I can add on that matter today.

NATO—REQUEST FOR STATEMENT ON AGENDA OF CONFERENCE

On the orders of the day:

Hon. Paul Martin (Essex East): I should like to direct a question to the Secretary of State for External Affairs. If he is going to attend the NATO council meeting, does he not think he should give the house some indication of some of the matters which will be considered at that meeting, and particularly those matters which have been covered by some of the questions today concerning the possession of nuclear arms?

Hon. Howard C. Green (Secretary of State for External Affairs): I expect to be leaving a week from today for the NATO ministers' meeting in Paris. As the hon. member knows very well, the agenda for these meetings is not made public and it would be inappropriate for me to make a statement such as he suggests before attending the conference.

CIVIL DEFENCE

INQUIRY AS TO STUDY OF UNITED STATES PLANS

On the orders of the day:

Mr. S. P. Ryan (Spadina): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Did the recent dominion-provincial conference on civil defence study any civil defence plans of the United States of America?

Hon. D. S. Harkness (Minister of National Defence): No, Mr. Speaker.

REQUEST FOR STATEMENT ON DOMINION-PROVINCIAL CONFERENCE

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): I should like to direct a question to the Minister of National Defence. Can the minister tell us when he will report to us on the dominion-provincial conference on civil defence held recently, and when he does so will he tell the house what the government policy is in respect of community shelters?

Hon. D. S. Harkness (Minister of National Defence): I shall be glad to report on this matter when my estimates are up for consideration.

INQUIRY FOR RETURN

On the orders of the day:

Mr. J. N. Turner (St. Lawrence-St. George): I wonder whether the parliamentary secretary to the Minister of Finance would undertake to use his influence with his minister to persuade him to table the documents relating to the forward commitments on foreign exchange entered into by the Bank of Canada, before the house rises for the Christmas holidays?

Mr. Heward Grafftey (Parliamentary Secretary to the Minister of Finance): I shall do this, Mr. Speaker.

(Translation):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Can the Prime Minister tell the house whether he has been asked to set up a royal commission on bilingualism in Canada and whether he intends to accede to that request?

Inquiries of the Ministry

(Text):

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, that matter will receive appropriate consideration and when the government is in a position to advise, the house will be informed.

UNEMPLOYMENT INSURANCE

TRANSLATION OF REPORT OF GILL COMMITTEE

On the orders of the day:

Mr. J. C. Munro (Hamilton East): I should like to ask the Minister of Labour approximately when the French translation of the Gill report will be ready.

Hon. Michael Starr (Minister of Labour): As I said the other day, I was informed they were rushing it through and it would be ready as soon as possible.

Hon. Paul Martin (Essex East): May I ask a supplementary question. In view of the repeated questions on this subject since the beginning of this session, can the minister tell the house whether the government will have this report before Christmas, and in that event will the minister tell us when the government proposes to act with regard to this matter, having promised to do so three years ago?

Mr. Starr: I am more anxious than the hon. member to receive this report, so we can peruse it and decide what course of action we might take in connection with its recommendations.

Mr. Munro: May I ask a supplementary question. On Wednesday last, as reported in the House of Commons debates, the minister said he would advise the house as to how many months had elapsed since—

Some hon. Members: Order.

Mr. Speaker: Order. No reference can be made to previous debates at this time.

AIR TRANSPORT

PRAIRIE PROVINCES—PROVISION OF SERVICE TO NORTH BATTLEFORD

On the orders of the day:

Mr. Lucien Lamoureux (Stormont): I should like to direct a question to the Minister of Transport. Following the cancellation of the prairie air service formerly provided by Pacific Western Air Lines, is the government giving consideration to the urgent problem of providing alternate service to the North Battleford area?

Hon. Leon Balcer (Minister of Transport): Both matters are the subject of intense consideration by the government.

Inquiries of the Ministry

(Translation):

FINANCE

SIGNATURE ON CANADIAN DOLLAR BILLS

On the orders of the day:

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to direct a question to the Minister of Finance or, in his absence, to his parliamentary secretary. I have in my hand a $1 bill, dated 1954, and signed by Mr. Louis Rasminsky, the present governor of the Bank of Canada—

Mr. Speaker: Order. I must tell the hon. member that during his absence, while he was a member of a parliamentary delegation, a similar question was answered at least twice.

(Text):

TRADE

TOBACCO—INQUIRY AS TO MARKETING OF SURPLUS

On the orders of the day:

Mr. E. F. Whelan (Essex South): I should like to address a question to the Minister of Trade and Commerce. What progress has been made in the marketing of surplus tobacco in Canada?

Mr. Speaker: Order. I think the hon. member will recognize that his question should go on the order paper. It is not something that should be asked on orders of the day.

Mr. Whelan: On a point of order, Mr. Speaker, this is a very urgent problem in our area, due to the unemployment of 1,000 people.

Mr. Speaker: I agree that the problem may be urgent in certain areas, but whether the information is urgently required at this moment is another question.

[*Later:*]

Mr. Whelan: Mr. Speaker, I would like to direct a question to the Minister of Labour. What has he done about the lay-offs of tobacco workers in Essex South?

Mr. Speaker: Order. What I said previously would apply if the question were asked in respect of various regions. I realize that these matters are important in certain constituencies. However, in so far as obtaining the information at this time is concerned, I think we can go on to something else.

TRANSPORT

LIFE JACKETS—REQUEST FOR REMOVAL OF UNSAFE PRODUCTS

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Minister of Transport whether he has yet ordered the officials of his department to remove all unsafe life jackets from the Canadian market.

Hon. Leon Balcer (Minister of Transport): No, Mr. Speaker, because I do not think that proposal makes any sense. Of course we cannot police all life jackets in Canada; it would be just impossible to try to find them all. I think the policy we have at the present time is a sensible one, and we intend to carry it on.

Mr. Speaker: Order. We are now getting into argument. The answer was quite an argumentative one.

Mr. Haidasz: May I ask a supplementary question, Mr. Speaker?

Mr. Speaker: Ask it and we will see.

Mr. Haidasz: I would like to ask the Minister of Transport whether he would instruct his officials to investigate the accusations brought forth by the jury during a coroner's inquest in Toronto last summer, that there are unsafe life jackets distributed in Toronto.

Mr. Balcer: Mr. Speaker, I think my hon. friend was not in the house the other day when I made a statement on this matter. With regard to the very sad case that occurred last summer, the life jacket involved was old; it had been torn and repaired, and it was left in a soggy condition and deteriorated. But, as I indicated the other day, our policy in these matters is to educate people and approve certain types of life jackets so we can protect the public and at the same time give a chance to industry.

FOOD AND DRUGS ACT

AMENDMENTS RESPECTING CONTROL AND REGULATION OF CERTAIN DRUGS

Hon. J. W. Monteith (Minister of National Health and Welfare) moved the third reading of Bill No. C-3, to amend the Food and Drugs Act.

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

Some hon. Members: Agreed.

Mr. Speaker: Adopté; carried.

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

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

On the order: Government orders:

That it is expedient to introduce a measure to establish an Atlantic development board and to define the duties thereof, to provide for the appointment of the chairman and other members of the

board and for the payment of certain expenses of the members thereof, to provide for the appointment of an executive director of the board and for the payment of his remuneration, to provide further that the board may engage the services of such advisers and staff as may be necessary to enable it to carry out its duites and to provide further for other related and incidental matters.

The Clerk Assistant having proceeded to read the order:

Mr. Speaker: Order. It is of some importance that the house should hear the resolution that is before it by listening to the clerk.

Mr. Lewis: On a point of order, Mr. Speaker—

Mr. Speaker: I would therefore ask hon. members if they would moderate their conversations at this time.

Mr. David Lewis (York South): On a point of order, Mr. Speaker, because of the perhaps, unavoidable noise that there was in the house when Your Honour called the first item of business, before one realized it Your Honour declared it adopted. With the very greatest respect, that kind of procedure—and I beg Your Honour not to misunderstand this —makes it impossible for members of the house to do their work properly. The third reading of the food and drugs bill was passed within seconds while members were still getting arranged in their seats after questions were asked. I would respectfully object to that kind of haste; there is no need for it. I would respectfully request that we turn back to that item of business, because we—

Some hon. Members: No.

Mr. Lewis: Mr. Speaker, this is an important bill. It is connected with another important matter on the order paper, namely the special committee, and I submit that there is no reason why this house should suddenly start rushing third reading of an important bill through in seconds. I would ask that the Chair consider reverting to that item of business, so the members of the house may have an opportunity to deal with it as it should properly be dealt with.

Mr. Aiken: Mr. Speaker, on the point of order—

Mr. Speaker: Order. I will hear the hon. member on the point of order.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I think the hon. member is raising a point on which there is little argument. I believe it has always been well established in the house that if an item is called and no one rises to object to it, the house and the Speaker assume that the item is agreed to. There was quite some time before the hon. member did rise to raise objection. The item was certainly called. It was the first order of business announced for this afternoon and, while I realize that it was passed quickly, nevertheless there was no objection made and I do not think we should now turn back to it, because another order is in the process of being read.

(Translation):

Mr. Speaker: I recognize the hon. member for Lapointe on the point of order.

Mr. Gilles Gregoire (Lapointe): On the point of order. Mr. Speaker, it is not so much that I want the house to come back to the bill that has been adopted, but I would like to support the remarks made a few minutes ago, by the hon. member for York South (Mr. Lewis) to the effect that often measures are approved very quickly, without the members' knowledge, especially at the beginning of the evening sitting or after the question period. Since the beginning of this session, on two occasions, measures were adopted within a few seconds, without our having any knowledge of it or having the opportunity to state our views.

That is why I support the remarks made by the hon. member for York South and I would add that, when motions are presented and the house is asked to support a bill, you should do it both in French and in English.

(Text):

Mr. Lewis: Mr. Speaker—

Mr. Speaker: Is the hon. member still on the point of order?

Mr. Lewis: Yes, before Your Honour makes a ruling. I understand the parliamentary secretary to have said that there was time to rise. Maybe there was, if I were a lot faster than I sometimes am, or if I were a jack in the box, or other hon. members were. But with very great respect, Your Honour called the order, it was read, and whether Your Honour looked to see whether any one was getting to his feet I do not know, because by the time I rose to my feet I heard the words "Carried; adopté". There is no intention on the part of our party to hold up this legislation, but we do have what we think is an important point to place before the house. The matter was passed far too quickly for any member to have an opportunity to rise to his feet without being in a race with Your Honour, and I do not propose to race with you, Mr. Speaker.

Mr. Speaker: For one thing, of course the Chair will not accept any suggestion that it is moving too rapidly. The Chair is following

the well established practices of this house. In fact, if the hon. member will consult with me I can tell him of the practice of some of my predecessors as to at what stage they were when the words "Adopté; carried" were put; they were almost around the back of the chair. However, there is no question that this bill was called. Third reading was moved and seconded, and I called it. The Clerk gave it third reading and it was adopted and carried. The house cannot toss its business back and forth. I submit that hon. members have now reached the stage where they know what is the business of the house, and they must be prepared to stand and speak when the order is called.

On the point raised by the hon. member for Lapointe, if the bell rings and there is a quorum the Chair calls the business; we do not wait around until 8.15 at night. I am not suggesting that the hon. member is implying that we should wait until 8.15 at night or whatever might be the time of resuming after adjournment, but when the bell calling members has ceased to ring there is a quorum in the house, and the house is prepared to do its business, it is the usage of this house to get on with the business. If hon. members who wish to speak on a motion know that it is coming up and they wish to catch the eye of whoever is in the chair, whether it is the chairman or the Speaker, it is their business to be in their places when the business of the house commences.

I am not indicating anything new. This is the ordinary, customary practice of this house, and with all deference to hon. members—I do not know what are the wishes of the house here—it would have to be by unanimous consent that we revert, because the order was adopted. Therefore, as I say, we could only revert by unanimous consent. Now the second item of business has been called, and unless there is unanimous consent of the house we must continue with the second item of business. Is there unanimous consent?

Some hon. Members: No.

Hon. H. J. Flemming (Minister of National Revenue) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to establish an Atlantic development board and to define the duties thereof, to provide for the appointment of the chairman and other members of the board and for the payment of certain expenses of the members thereof, to provide for the appointment of an executive director of the board and for the payment of his remuneration, to provide further that the board may engage the services of such advisers and staff as may be necessary to enable it to carry out its duties and to provide further for other related and incidental matters.

[Mr. Speaker.]

Mr. Martin (Timmins): On a point of order, may I point out that within five minutes we find ourselves in the same position again. It was utterly impossible to understand what the Clerk was saying.

An hon. Member: You have your order paper.

Mr. Speaker: In this regard I fully agree with the hon. member, but having once asked the co-operation of the house in this matter I do not think I am in the position of a teacher repeatedly addressing students. The house will kindly conform.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, in the speech from the throne this year will be found a paragraph with reference to the proposed Atlantic development board. It consisted of the following words:

You will be asked to authorize the establishment of an Atlantic development board to advise on measures and projects that will promote the economic development of the Atlantic region of Canada.

It is the implementation of that paragraph which the resolution we are now considering will accomplish. It seems fitting and proper that I emphasize the importance of the establishment of the Atlantic development board. The fact that its formation was indicated in the speech from the throne, and that the resolution is before us, is assurance of that. I do not propose to go into past history in much detail as to the effort which has been made to have the federal government establish such a body. I can say, however, that it has been very much in the minds of many people in the Atlantic provinces for some time.

I recall very well that from time to time I felt strongly that such a board could play an important part in the development of the Atlantic provinces. On numerous occasions we urged the setting up of the type of machinery envisaged by the resolution under somewhat flexible terms of reference, and with duties and responsibilities of a very broad nature. It was hoped that an investigation and close study of the natural resources of the Atlantic provinces, and a recommendation regarding the part that the federal government could play in full development, might be undertaken.

Our government has now decided to make this hope a reality. The resolution before us indicates concrete action in this regard. I might mention that the commission on Canada's economic prospects, which reported in 1957, suggested the setting up of a capital projects commission. I would think that the hon. gentleman who represents Davenport in

this house will be most pleased with this legislation. I am satisfied that he is. I am also very pleased with another aspect which this action indicates. It is the recognition of the general desirability of the Atlantic provinces of Canada working together. It has always been my opinion that the four provinces on the Atlantic seaboard can accomplish much for themselves by working together whenever possible.

I well recall the meeting of many interested citizens of the Atlantic provinces held in the city of Moncton in 1953, when the Atlantic provinces economic council was discussed and finally came into being. The late Angus L. Macdonald, then premier of Nova Scotia, was present at that meeting. Former premier Alex. Matheson of Prince Edward Island was there also. A representative of Premier Smallwood attended, and the New Brunswick government was present in a body. At long last a real co-operative effort was being made. The council has been very successful, and is an illustration how our four provinces can work together in an economic sense. Then we have the Atlantic premiers' conference which meets once a year, and at which all premiers and advisers meet together to discuss their various problems. This began in Fredericton in 1956 and has continued since. It likewise has served as a medium for the exchange in views and arriving at decisions for mutual co-operative action.

I would now remind the house of a question asked of the Prime Minister on April 18 last by my hon. friend from Cumberland. It was as follows:

> Mr. Speaker, I have a question for the Prime Minister. In view of the recent article in the *Atlantic Advocate* referring to the possibility of a development fund for the Atlantic provinces and in view of the recommendation, among other things, of feasibility studies of public projects in the Atlantic provinces, does the Prime Minister have any comment to make?

And the Prime Minister's reply I shall also quote:

> Mr. Speaker, the hon. gentleman gave me notice of his question. The government is now studying this matter and is giving consideration to the establishment of a federal Atlantic development board which would be empowered to examine projects recommended by provincial governments or other parties, and to give assistance and recommend appropriate plans to the government.

Now, Mr. Chairman, it is as a result of that assurance given by the Prime Minister to the house in April last that we have the paragraph dealing with this matter in the speech from the throne and the resolution which is presently before us.

I should like here to make a point of special significance which I wish to bring to the attention of this committee. The contemplated legislation is another illustration of the attitude of this government which has held office since 1957. It recognizes these facts; that we have in the Atlantic provinces a special situation deserving special attention, deserving special consideration, and demanding special action. The vehicle for this special action is before us for attention this afternoon. The opportunity is offered to us all to heartily endorse the attempt to attack our disabilities and to secure the assistance of the central government in so doing. I would hope that we are all thankful for the chance to indicate our approval.

Since my hon. friend from Cumberland has referred to the *Atlantic Advocate*, presumably to the issue of March 1962, I have taken the trouble to look up that article on which his question appears to have been based. It is to be found on page 14 of the *Atlantic Advocate* for March 1962, under the heading "Plan of action". I should like, Mr. Chairman, to quote some of the statements contained in this article. First of all it quotes scripture as follows:

> Unto everyone that hath shall be given, and he shall have abundance; but from him that hath not shall be taken away even that which he hath.

Then it asks the question:

> Does familiarity with it breed acceptance? Should the maritimes be content with this philosophy?

Then the article goes on to say:

> A chain is as strong as its weakest link; and the economy of Canada is as strong as its weakest region.

So I submit that these assertions are definitely thought provoking. My opinion about them would be expressed in terms like these; that some parts of our great country may have national advantages of geography, of natural resources leading to industrial development, of somewhat less severe climate which might contribute to acceleration of population beyond the average. But the central government, with these situations in mind, should properly devote special attention to those areas which for some reason or other have lagged behind the rest of Canada. The Atlantic provinces are a region which comes under that general heading.

The contemplated action envisaged by the resolution which is presently before us is that we decide first of all:

> That it is expedient to introduce a measure to establish an Atlantic development board and to define the duties thereof—

It is the defining of the duties thereof that I should like to speak about at this moment, prior to which, however, I might just give a few of the reasons for the establishment of the board. There is a grave disparity between the average standards of the Atlantic region and those of the rest of Canada. This may be measured by average incomes, which are

lower in the Atlantic provinces by more than a third; by capital investment per head, which is half that in the other provinces; or by the lack of opportunity which, measured by employment available, is much greater. Emigration from the maritimes has amounted to more than half a million since confederation, and continues. In the light of growing populations and the tendency toward mechanization, it would be rash to assume that the labour surplus from the Atlantic region could be absorbed in the rest of Canada in the years to come, even if it were considered justifiable as a national policy.

So I point out, Mr. Chairman, the need of addressing ourselves to the problem of creating job opportunities in our own region by developing our own natural resources, and then looking at the transportation problem and also paying some special attention to the possibilities of cultivating markets where we may have natural advantages compared with other parts of Canada by reason of our location on the Atlantic seaboard. The Atlantic development board will inquire into and report to the government suggesting measures with respect to projects which promise to accelerate the growth of the area's economy. It will consider and report after investigation on projects suggested by provincial governments and other parties. This is in accordance with the statement of the Prime Minister in April last.

The purpose of the Atlantic development board will be to suggest ways and means to improve conditions in the area so that it will be more attractive to industry. Many people believe that public investment to a more than average degree is necessary to create these conditions. I find myself in agreement with that concept. There are many policies, measures and projects which have been suggested as deserving urgent consideration by the board. A number of public works projects need immediate research. Among these are the Chignecto complex of canal, tidal power and industrial development; the causeway to link New Brunswick with Prince Edward Island, which has been accepted in principle and is in the planning stage. There is the development of the great manganese deposits in Carleton county, New Brunswick, and that of the immense deposit of ore containing a large percentage of tin in Charlotte county in that same province. Then marble comes to mind. In various parts of New Brunswick there are very impressive deposits of marble, some of which have been partially developed, but further expansion seems most desirable. Then I may mention that the base metal deposit near Bathurst is already under active development. The necessary steps are being taken and progress is being made. I do not suggest this as a project for the Atlantic development board; it is under way. I might remind the committee, however, that the quantity of proven mineral bearing deposits of lead and zinc is something in the order of 60 million to 100 million tons, one of the largest, if not the largest in the world.

A great deal of research has been carried out by the provinces themselves and by the Atlantic provinces economic council, which has been so strong an advocate of this board. Proposals have been made for assistance in the setting up of certain so-called cornerstone industries which, it is claimed, would be likely to create other industries. The board would have a responsibility for placing the many and varied proposals in their appropriate categories, forming judgments on them or obtaining judgment on them from government sources or from outside consultants. It would be responsible for presenting its recommendations to the government and co-ordinating the passage of projects approved through the federal departments which would be concerned with them.

In this connection, a few days ago there was a discussion in this chamber concerning the coal industry, and discussion regarding the development or further development of the existing steel industry in Cape Breton. Both these subjects might well be studied by the Atlantic development board. The expansion of existing industries is quite as attractive and desirable a source of investigation as the establishment of completely new employment creating industries.

I should like to think that the Atlantic development board can be an arm of the federal government to be consulted by the provincial governments and by industry in general with a view to rendering real assistance in every sector of the development of the region. We of the Atlantic provinces are all familiar with the success that has been achieved by the interconnecting grid system made possible by the action of the government of Prime Minister Diefenbaker since it assumed office, and concurred in by all members of the house in the passing of the legislation. There is at the moment a definite improvement in the supply and price of power for industrial purposes. Electrical energy from the upper Saint John river is available, in case of need, via the grid system to the Cape Breton area, a distance of approximately 700 miles from northern New Brunswick; and power based on coal generated in Cape Breton is available to that part of New Brunswick lying close to the Quebec border. I repeat, by means of the grid system, made possible by federal legislation presented to parliament by this government, we have this

great improvement to the system. This all adds up to the idea of considering that the Atlantic provinces be connected as far as is possible as a unit. This, in my opinion, should be another aim of the Atlantic development board.

It has been suggested that the establishment of this board results from recognition of the fact that the Atlantic region is a captive market for the more highly industrialized central provinces. I agree to some extent, but I also point out that Atlantic province industry has an advantage in overseas markets. I should like to point out to the committee that at the present time a food processing plant in Carleton county, New Brunswick, is shipping frozen peas and french fried potatoes by refrigerated steamer to the United Kingdom and Europe. This reflects great credit on the young men, the McCain brothers, who are operating this plant. It also brings to our immediate notice the possibilities which exist for enterprising, alert and industrious Canadians carrying on business, capable of exploiting overseas markets.

Now I return to the functions of the board. It has been suggested that all projects should be considered on the basis of their direct and indirect impact on economic development. The board must advise only after careful consideration of all the facts and not on preconceived ideas or prejudices. It has likewise been suggested that the board shall advise on measures and projects in both the public and private sectors. It should assist and encourage new resource exploration and development; the location of cornerstone plants; the development, in primary resource industry areas, of secondary industry related industrially or economically to the primary industry; and other enterprises which can have an impact on the course of economic progress.

The board itself, playing both an active and passive role, should also be able to initiate and give advice on projects. It should consider proposals made to it. It should also have an active role in the sense of initiating studies and making recommendations. It should be flexible in its thinking. It should be prepared to consider in what way economic development in any region can be accelerated. It must realize that there is no substitute for initiative and subsequent action.

I consider that the proposed legislation to set up an Atlantic development board is the most forward step ever taken in my lifetime for the benefit of the Atlantic provinces, and that it has tremendous possibilities which should increase the level of income and ultimately contribute to greatly increased employment in the Atlantic provinces.

In the light of our present situation the role of the Atlantic development board, in a development program for the Atlantic provinces, might very properly be considered to be partly the development of the national economy with special relevance to the difficulties peculiar to the Atlantic region.

So, Mr. Chairman, because of my lifelong association with the Atlantic provinces, with their people and with their special problems, there are many aspects of this board and its activities that I might explore. However, let it suffice for me to say that I am proud to have this legislation come forward in my name, not only because of its importance to the Atlantic provinces and their people but because I know there are occasions when all members of this House of Commons are able and indeed I think are anxious to step beyond the bounds normally imposed on us by party affiliation. The proposals embodied in this resolution provide such an opportunity.

Mr. Chairman, I hope that in this instance we can act with one accord, and in so doing make it very clear that as members of this House of Commons our prime consideration is and always has been the needs of Canadians everywhere. I most earnestly commend this proposal to the favourable consideration of all hon. members; and at the same time may I express my belief—it is more than a hope; it is a belief—that this measure will indeed find acceptance in all corners of this House of Commons.

Mr. Robichaud: Mr. Chairman, all members of this House of Commons, I am sure, have listened with interest to the statement of the Minister of National Revenue. The resolution which has just been introduced by the minister provides for the establishment of an Atlantic development board with, as he said, specific duties to advise on measures and projects which will promote the economic development of the Atlantic provinces. In introducing a similar measure, but one which we could call more nation wide in its scope, a week ago today in this house the Minister of Finance stated that the so-called national economic development board would be concerned with all parts of Canada as well as with Canada as a whole. Its scope, said the Minister of Finance on that occasion, will be the three million square miles of this nation.

I express the hope that the measure now before the committee, which is similar in aims in its field of operation and achievements although more limited by geographical boundaries, will at no time enter into conflict with the national economic board which, as was stated by the Minister of Finance in introducing that particular measure, is designed to provide the soundest, most productive and most prosperous use of Canadian economic resources. I would hope that later on in this debate the Minister of National

Revenue will give us the assurance that the Atlantic development board will not enter into conflict with the national economic board.

The Minister of National Revenue, in moving this resolution this afternoon, stated the reasons for the formation of an Atlantic development board, and he defined its duties. At the outset I wish the minister to know that we of the official opposition will support this resolution, although we will reserve the right to comment on the bill itself after we are given the opportunity to study its content. I may add that I believe I shall be the only speaker on the Liberal side of the chamber at this resolution stage, although more members on this side from the Atlantic region will wish to participate when we have seen the bill and second reading is moved.

The minister in introducing his resolution quoted the reference in the speech from the throne to the Atlantic development board. I agree with the minister and say that in the past many attempts have been made in that regard. I agree that for some time it has been in the minds of the people of the Atlantic provinces. I may state further that it was part of the recommendation in the report of the Gordon commission which was made public in 1957. The minister also referred to the desirability of working together, and he gave as an example the Atlantic provinces economic council known as APEC which, since its inception in 1954, has made different recommendations to the provincial and federal governments. In the course of my remarks I will be referring further to the work which has been done by this organization from the Atlantic provinces.

The minister also stated that such a move has been in the mind of this government since 1957. I would ask the minister this question. In view of the circumstances and conditions of the Atlantic provinces, why has it waited five years before bringing this measure into effect? As the minister said in quoting an article from the *Atlantic Advocate*, the economy of Canada is only as strong as its weakest region. He referred to the income of the Atlantic provinces which is one third lower, and investment capital which is approximately only half of what it is in the rest of Canada. He also referred to special projects which have been brought to the attention of the government from time to time, such as the Chignecto canal and the Prince Edward Island causeway. Later he referred to the mining possibilities both in the northern and southwestern parts of the province of New Brunswick.

The minister also referred to the price of power in the Atlantic provinces, which is of major importance in the development of our economy. He seemed to take full credit for the grid system which is now in existence in the three maritime provinces. I should like to point out that this grid system was the idea of the minister of northern affairs and national resources under the previous administration, Mr. Lesage. This measure was proposed by Mr. Lesage and was included in the budget of Mr. Harris in March of 1957. In fact the provinces concerned had accepted the idea in principle long before this government ever took office. I must also add that the establishment of an Atlantic development board in part confirms and implements today what we of the official opposition have been suggesting in this house for the last four or five years, notwithstanding the fact that when we made proposals to that effect because of the urgent need we were branded as prophets of doom and gloom and were accused of trying to sell our country short.

Members from the Atlantic region sitting today on the government side, including the Minister of Finance, have not forgotten, I am sure, that on numerous occasions in this house they voted against proposed measures to strengthen the basic economy of the Atlantic provinces. I do not want to comment on votes that have been taken previously but I should like to refer, for example, to the vote taken in this house on June 8, 1959. I might also add that they are the same members who on May 24, 1960, voted against a measure asking for the establishment of a national board of economic development. Yet these same members are now suggesting the formation of a similar organization. Also on May 3, 1960, when a vote was called on a motion by the hon. member for Bonavista-Twillingate to provide federal aid to the Atlantic provinces, every government member from the Atlantic region voted against the proposal. The present Minister of Finance and the now absent "so what" minister from St. John's West were among those who opposed the motion at that time. I have no doubt that this action explains why the Minister of National Revenue, who was not a member of the house at the time and was not called upon to vote against such a proposal, has been called upon today to introduce this resolution, which would have been quite embarrassing for the Minister of Finance.

As I said earlier, we will support the resolution now before us, but I reserve the right to direct to the Minister of National Revenue certain questions which I should like to have answered before the conclusion of this debate. I ask, Mr. Chairman, whether we are correct in assuming that this board will channel at least an extra $1 billion into the region in the next ten years?

Mr. Flemming (Victoria-Carleton): May I ask my hon. friend a question? What was the amount again?

Mr. Robichaud: One billion dollars. I ask the minister now whether a commitment to that effect was made on a previous occasion by the Prime Minister. If such is the case, can the minister give the house some indication as to how this imposing sum may be distributed? Commenting on the announcement made by the Prime Minister during the last campaign to the effect that an Atlantic development board would be established, it was suggested by sources close to the Prime Minister that the first matters to be dealt with by this board would be the Chignecto canal and the Fundy tidal development. The minister made reference this afternoon to the Chignecto canal, but he did not refer to the Fundy development.

I should now like to ask the minister this question. After all the surveys on the physical feasibility of the project and its economic soundness, after all the statements made by members of the government to the effect that full and comprehensive studies had been carried out by officials of the departments concerned, must we now take it for granted that this new board will be much more effective in convincing the government that such projects must be proceeded without delay from the point of view of continuing to improve the standard of living in the Atlantic area?

I have a further question for the Minister of National Revenue. At the time of the appointment of the Gordon commission in 1944 Prime Minister St. Laurent invited the people of the Atlantic region to get together and submit proposals which would lead to the economic development of the area in order to assure a standard of living roughly equal to the national average. Such an invitation could not be left unanswered by the people of the Atlantic provinces.

The minister has referred in his remarks to the formation of the Atlantic provinces economic council. It is true that representatives of government, trade, industries, cultural institutions and financial groups lost no time in getting together and forming the Atlantic provinces economic council, commonly known as APEC. Since its inception in 1954 this organization has been largely a policy making and long range planning group of businessmen representing practically every line of business and industry in the Atlantic region. This group must have had a good knowledge of the problems and needs facing our area and from time to time must have offered new formulas in line with our special needs.

Atlantic Development Board

I recognize that the new president of APEC, chosen in September of this year, looks for big things from the proposed Atlantic provinces development board. Under his leadership APEC, with its board of 29 governors, has set out as its objective the selling of the region's needs to its own people and to the Canadian nation as a whole. It is hoped that the personnel of this new board will co-operate and spare no efforts to rouse our own people to further action and, at the same time, will go all out to have the rest of Canada realize that our systems of transportation, taxation, tariff charges and federal fiscal policies are detrimental to the interests and general welfare of the Atlantic region.

It has been said by members of the government that the Atlantic development board will be primarily a planning board. That statement was made by the Minister of Public Works in Halifax on November 16 of this year. The Prime Minister said during the last campaign:

> —the proposed board will be made up of people familiar with problems of the Atlantic provinces. Their jobs will be to study these problems and make recommendations to the government.

It may be true that APEC may not be considered entirely as a development council; nevertheless one must admit that it has acted as a co-ordinator and promoter of development work in the Atlantic region. Now after five and a half years in office this government must recognize that in the Atlantic region the average of unemployed has been one in every ten available for work, compared with a national average in the last five years of 5½ per cent to 6 per cent in the rest of Canada. In his report made public in February, 1961 Professor Cairncross, who had just completed a study of economic development in the Atlantic provinces, had this to say:

> The federal government must be the principal agent of policies to eliminate the lag in economic development of the Atlantic provinces.

Now, Mr. Chairman, in view of what I have said my next question of the Minister of National Revenue will be the following. Is the minister now prepared to admit that this government has failed in its five and a half years in office to act on the recommendations made by APEC to promote the development of the Atlantic region? Furthermore, what assurance can he now give the house—

Mr. Flemming (Victoria-Carleton): Do you want me to answer that now?

Mr. Robichaud: No; my time is limited. I will be pleased to have the answer, but government members must know that my time is limited.

I have another question to ask of the minister. What assurance do we have now from the government that this government is prepared to adopt new policies which will tend to eliminate this lag in the economic development of the Atlantic region? The Atlantic development board should have not only a passive role but it should be empowered to act positively, to be free to initiate studies and make recommendations on its own. In order to be effective we must also have in Ottawa a government prepared to listen to the board's recommendations and act accordingly. Unless the government is prepared to help industries adapted to the region and having a reasonable prospect of success, such a board will be a waste of effort, time and energy.

The field of action of this new board is almost unlimited. In its report the Gordon commission recommended a policy of considerable expenditure of capital or the opening up of facilities designed to encourage the development of the resources of the Atlantic region, including such problems as adequate cheap power and transportation services, which have been mentioned by the minister in the course of his remarks. Thorough economic planning for the area is a must if the Atlantic region is to share equally in national economic development of our country.

I now ask, Mr. Chairman, how can such a board be effective unless it is associated with a capital assistance fund administered by special agencies of the federal government to be concerned with basic projects for promoting the over-all economic prosperity of the Atlantic region.

We all know that the federal government did not hesitate to proceed with the St. Lawrence seaway and with the trans-Canada pipe line. The present government was not unduly concerned with the economic soundness of the South Saskatchewan dam, and it did not hesitate to invest in this particular project hundreds of millions of dollars of the taxpayers' money. So I ask, why so much concern by the Prime Minister and by the ex-minister of public works over the economic soundness of the Chignecto canal? Why is the present government, after refusing openly and squarely to consider this major project, intending to use this Atlantic development board as, I could almost say, another scapegoat in order to distract attention from its delayed action?

[Mr. Flemming (Victoria-Carleton).]

The government seems at times to be quite concerned, quite embarrassed and even uneasy about our unfavourable balance of trade with foreign countries, I ask, Mr. Chairman, how much thought is being directed toward the Atlantic region's balance of payments in respect of the rest of Canada. What about our unfavourable balance of trade with central Canada and with the prairie provinces? We have reason for complaint. We have reason to be concerned, and I intend to use this as an example. A car manufacturer in central Canada shipping his automobiles and trucks by rail to Saint John, New Brunswick, uses transportation companies from Ontario to transport his cars and trucks from Saint John to the respective distribution centres in the province of New Brunswick.

While the Atlantic region offers a golden opportunity for products from central Canada and the prairie provinces, we have to depend almost entirely on export for the disposal of our own primary and industrial products. While industries in central Canada are protected by tariff walls we, in the provinces near the ocean, have to pay and pay highly for such protection in addition to prohibitive transportation costs. We are not seeking handouts. We are only fighting for our rights, our rights and justice as promised and assured us when we joined confederation. Canada is one of the few countries in the free world where the retarded regions have not received special recognition, where special measures have not been enacted to take care of emergency local or regional conditions. The United Kingdom, Belgium, Norway and Germany all had to face similar situations; all had chronically depressed areas. These countries have seen fit to cope with the situation. They have taken the necessary steps to introduce powerful and dynamic programs which met in a bold manner the needs of such areas. The two basic remedies offered by these countries have been, first, the provision of capital on easy terms, which obviously does not exist in Canada, particularly in the Atlantic region; second, special tax concessions for new industries established in depressed areas.

In June of 1957, prior to the general election, every Progressive Conservative candidate in the maritimes endorsed in no uncertain terms what was called their Atlantic resolutions. They endorsed a resolution to the effect that a national resources development program should be instituted permitting federal assistance in the Atlantic provinces for the purpose of developing our resources for the maximum benefit of the Atlantic economy. They favoured the institution of a capital projects program to provide capital assistance

for the basic economy of the area. They committed themselves to the decentralization of industry, and they assured the electors of larger defence contracts and the establishment of new crown corporations in the Atlantic provinces.

What have they done to meet these commitments and fulfil their obligations in the last five and a half years? Is this new Atlantic development board now being established to distract public attention from the mismanagement of public affairs by this government? I repeat what I said earlier. How can such a board be effective, how can it operate and play an active role in the economic development of the area, unless it provides the kind of leadership offered from a national government in all other industrialized nations to deal with our problems on a broader basis?

Most of the economic ills of the Atlantic region can be traced to a slower rate of investment than elsewhere in Canada. The Minister of National Revenue admitted this in his speech this afternoon. APEC, in its proposals to the royal commission on banking and finance, made two specific recommendations which deserve to be considered at this time. First, APEC recommended the establishment of a capital projects commission for the area. It would provide over a reasonably short period the facilities needed for further development and co-ordination of all capital spending and subsidies in the region, except those that are national in scope.

Second, it recommended the creation of a federal fund to make grants in the Atlantic provinces to help them set up cornerstone plants, those that have considerable future and a direct and indirect impact on an area's economy, as well as industrial estates or other establishments. The council recognizes that a development board will be almost useless unless it is assisted by a long run flow of funds into regional investment. The type of assistance that is now provided by the industrial development bank or other lending agencies is most inadequate, mainly on account of its short terms and excessive rates of interest.

This new board should lose no time in making a complete examination of our trade possibilities with the British Caribbean. Such islands as Jamaica, Trinidad, Tobago, the Bahamas and the Leeward and Windward islands are in the geographical proximity of year round maritime ports such as Halifax and Saint John, and the Canadian and Caribbean economies are complementary. The advantages of opportunities offered for trade exchanges with the Caribbean should be looked into by the Atlantic development board, and no effort should be spared to facilitate such possibilities. This government is well known for appointing boards and royal commissions.

I notice, Mr. Chairman, that my time has practically expired and in concluding my remarks I would urge the government to consider the immediate establishment of a capital assistance fund agency to work in cooperation and conjunction with this proposed Atlantic development board. It is said that Mrs. Marx observed at the end of a long and rather bleak life, "How much better it would have been if dear Karl had made some capital instead of writing and speaking about it". I wish to say to this government now, on the eve of its last days in office, how much better it would be for them if they were prepared to provide the Atlantic economy with proper capital instead of more boards, more commissions, more promises and more words.

Mr. Bell (Saint John-Albert): Mr. Chairman, I wonder whether I could ask the hon. member a question?

Mr. Robichaud: Certainly.

Mr. Bell (Saint John-Albert): Will the hon. member tell the house why the Liberals did nothing for the maritimes during their 22 years of administration?

Mr. Robichaud: Mr. Chairman, I think this is the type of question we may expect from the hon. member.

Mr. Bell (Saint John-Albert): Well, answer it.

Mr. Robichaud: Any projects of major importance which have been completed in the Atlantic provinces have been completed by a Liberal government.

An hon. Member: Name one.

Mr. Robichaud: Mr. Chairman, the hon. member says, "Name one". I will name camp Gagetown, which I would say can be compared to any major industries in New Brunswick. I would mention the Canso causeway. Also, the few crown corporations which we now have in the Atlantic provinces were instituted by a Liberal administration, and nothing of the kind has been done since 1957.

Mr. Thompson: Mr. Chairman, it a real privilege for me as a westerner to associate myself this afternoon with the people who live in the Atlantic area of our great country. As I have come to know many of them as my personal friends and to know that part of the country almost as well as I know the other parts of Canada, I have come to have a deep feeling of affection and appreciation for the maritime people from our four Atlantic provinces. One of the great heritages

we have in Canada is the contribution which emigrants from that area have made to other parts of Canada. It has been said more than once that the greatest export from the Atlantic provinces has been their trained, professional and technical people. I am sure that each one of us, regardless of what part of Canada we come from, can readily recognize the truth of that statement as we recall friends and acquaintances who came originally from that area.

On behalf of all of us in our corner of the house, Mr. Chairman, I count it a pleasure to associate myself with the debate that is now beginning in connection with the announcement made this afternoon by the Minister of National Revenue. I trust, however, that the Atlantic development board will not be just another board. If boards were the answer to our economic ills, then I am sure Canada would today be well on the road to prosperity. We have many now and we are getting more week by week. Let us remember that the setting up of an agency, by whatever name it might be called or for whatever purposes may be defined, is not just the answer to our problems. We have learned through the eloquent words of the minister this afternoon, the purposes and objectives of this Atlantic development board. We all agree that the words he has spoken are well chosen, because they are true. But they will only be effective if they can be put into action. I am fearful of the multiplicity of boards as we try to deal with the problem of planning that our country needs in a way that will benefit the country according to its basic objectives and traditions.

We have heard described already this afternoon the work and function of the board known as APEC, the Atlantic provinces economic council. It has done good work. I am personally familiar with a number of people on the board and realize that they have covered a great deal of ground in surveying the needs of the Atlantic provinces. We have also discussed, and are still in the process of discussing, the national economic development board. We also have the national productivity council. One wonders just how effective are the operations of these different agencies as they relate to the results that are wanted without a serious overlapping and multiplicity of function and even of purpose.

I think this is one of the things about which we must be very careful, and I trust that the government has taken this question into careful consideration. I say this because what is expected at this time—I am sure that every person who lives in the Atlantic area will be thinking thus when he hears the announcement of this new board—is action, effective action that will lift the Atlantic area out of what has been termed a depressed area into what can be one of the strongest emerging areas in the country. As I have come to know the maritimes, I have come to almost abhor the word "welfare" as it has been applied, because the truth is—and I think all Canadians, if they were intimately familiar with this part of our country, would understand this—that the Atlantic provinces are potentially the richest and most prosperous in the whole of Canada. They are not entitled to and should not be given such descriptive terms such as "depressed".

If one looks, not at the problems of the Atlantic area but at its resources, he realizes they are truly amazing. Prince Edward Island is one of the richest farm areas in Canada. Nova Scotia has tremendous reserves of coal. It has excellent possibilities as far as communications and shipping are concerned. Certainly it has a tremendous fishing industry. New Brunswick is not only the centre of a new base metals mining industry, it is also a major source of lumber in the east. In addition, together with Nova Scotia, it is a site of some of our leading universities, an asset without price in an age when we should be moving forward into the greatest era of development and progress that the history of Canada has ever known. Newfoundland and Labrador have immense undeveloped sources of hydroelectric power. There are also vast lumber and mining potentials. This is all without mentioning the possibilities of developing this entire area for tourism, which is one of the great and for the most part undeveloped assets of this beautiful part of Canada.

The minister this afternoon went over a number of the things which he envisages the Atlantic development board as being concerned with. He mentioned the Chignecto canal, the Prince Edward Island causeway, the manganese deposits, the marble and base metals, in addition to existing resources such as coal. He mentioned the hydro potential on the upper Saint John river. Although he did not refer to it, I am sure he was thinking also of the Fundy hydro development potential. He spoke of a needed power grid. All this concerns only a portion of the rich resources of this part of the country. It is these things which, we have been told, will be the subject of the board's attention. Looking at what has been happening in the maritimes I sometimes smile at the jibing which takes place back and forth between the two larger parties in this house. I do not know whether this is a game of chess or a football game; maybe it is the Grey cup in the fog. But I do know that which has been done either by a former Liberal government or by past Conservative

governments is not the answer. I am quoting from the January issue this year of the *Atlantic Advocate*:

> The Atlantic region has been a drag on the economy of Canada by being low in production and high in unemployment, twice as high as the rest of Canada in terms of unemployment as a percentage of the labour force.
>
> The region has been aided and subsidized by an ever-increasing amount by the government of Canada, to enable its people just to live, to keep from starving. The region has cost Canada something between $130 million and $200 million a year in aids and subsidies to enable its people to survive. All of every payment is gone by the end of every year. Nothing is left. In the next year the aids are continued, and so on, *ad infinitum*.

Unfortunately, this is all too true of what has been the background results of events in the Atlantic area. It need not be so; it should not be so. The minister has mentioned that the Atlantic development board is to be concerned both in an active and a passive way. He said also that it is to be concerned with both the private and the public sectors of the economy. I would remind him, and I would remind the government to which he belongs, that as he contemplates the work of the Atlantic development board much of what he has been speaking about has already been done by APEC and by other agencies in that region. As it is described to be an arm of government I can see in it a board which could produce action and produce it quickly if instead of going through the same pattern which has been followed in the past number of years it could take the findings of those various organizations which already exist, bring them together and then, devise machinery which would facilitate the action which is obviously needed. This board could produce action and it could produce action very quickly. As I envisage it I can see that it could be capable of making the Atlantic area the emerging part of Canada.

We are wrong when we consider that any part of Canada is an entity in itself. It is only as we can see Canada as the great nation it is, when no part is separated from another part, that true development is possible. We talk about the possibility of maintaining an ice free river as far as Montreal for 12 months of the year and immediately we are concerned about what effect this might have upon the shipping facilities in Saint John or Halifax. We hear criticism of the Chignecto canal because, it is said, it would hurt harbour commerce in other parts of that area. It is well that we remember always: you cannot separate one part of the country from another. What is good for one will be good for the other. What is good for the Atlantic provinces will be good for Upper Canada, and what is good for Upper Canada will be good for western Canada. It is on this basis that the board could produce the results we are thinking of, provided the government puts teeth into the thing. This is a matter on which we expect to have more to say as the debate goes on and about which we shall be in a position to say more when we are informed in greater detail, as I trust we shall be, about the functions of the board.

I say that the purpose of this board is not only one of correlation and bringing together. It must be a board capable of initiating action itself. The minister has told us there is no substitute for initiative and subsequent action. Referring briefly to the honourable gentleman's statement that the board is to be concerned with Atlantic development both with regard to public and private projects on this basis, I should like to draw the attention of the committee briefly to what I regard as the responsibility of government toward public and private projects. As far as I am concerned, both our older parties in Canada have been far too much concerned, through an urgency which can only be described as being expedient, with things which rightfully do not belong to the responsibility of government. The hon. member for Gloucester who spoke just before me mentioned that if we are to produce the action and the results which are expected, active participation in the supply of capital is necessary. Let us remember, however, that there are two basic kinds of capital as applied to what we are thinking of now. Private capital is the capital which industry and commerce need to build up the industry and commerce of the area where this capital is used. This capital should not come out of welfare handouts by governments but from the savings and investment of our own people.

I am positive that if we can operate universities and carry on as we have carried on in that area through the years the need of the Atlantic provinces at this time is not interference with private or commercial capital; what is needed is the setting of an atmosphere and a climate which would make the area fully receptive to commercial, productive capital. We hear a good deal of talk to the effect that only the United States or other countries outside Canada can supply the capital we need. That is simply not true. We have plenty of capital in Canada ready for use if only the climate and the conditions which would encourage Canadians to invest their capital were present. In this regard, if teeth are going to be put into this project, I believe it must be basically concerned not with the payment of more welfare nor with the supplying of private or productive capital which ought to come from the Canadian

citizens themselves. I believe the government should be concerned with the public responsibility of the government.

If it could do this, then I could see some hope of the Atlantic area becoming the emerging area of Canada. As I have just quoted from the *Atlantic Advocate,* we find that for a number of years both the Liberal and the Conservative governments have spent something like $150 million to $200 million per year in welfare. At the end of each year that sum has disappeared and the following year the same amount of money has to be supplied again just to keep people living and the area alive. If this amount of money had been spent out of public capital to set the climate and conditions for private industry in that area, we would not have to be paying this amount of welfare subsidies today. The figure of $1 billion for the next 10 years has been mentioned. That is $100 million a year. If $200 million, which is not more than we are spending at the present time, could be supplied in the right way for the next five years, I am convinced that the Atlantic area would not need any more welfare or subsidizing, as it would be able to carry itself in a respectable way, as should any individual, group of individuals or any area of the country should. That is why I believe it is very important that we look at our true responsibilities, rather than to confuse the issue and think that we are helping by actually bringing about a policy which is just encouraging a continuation of that which we agree we do not want and is not correct.

I am convinced that one of the greatest needs in the area is the public aspect of the economy. I should like to quote again from the *Atlantic Advocate* of January, 1962. I believe these words are well taken, and I agree with them:

> Industry can be attracted to the region if certain prerequisites are provided. The Chignecto canal and the tidal power development of Chignecto bay are two public works projects that are essential prerequisites to industrial development. These projects could transform transportation through the development of coastal shipping and provide abundant electric power at a cost competitive with any now prevailing in any area of Canada. These assets, together with our winter ports, would make the region an ideal production area for processing not only our own plentiful resources but imported commodities also for re-export to world markets.
>
> The cost of the capital investment in these public works projects bears no relation to any need for retrenchment resulting from Canada's present foreign exchange difficulties. Investment in capital projects which will themselves be productive has no relation or likeness to spending for non-productive purposes. It is not inflationary. Anyway, there is no inflation in the maritimes; there is every evidence of deflation. What is required is a positive program of self-liquidating public works projects and a captal budget financed out of loans.

I could not have stated the needs of this area better if I had tried to do it myself. Here again is evidence that there has been tremendous thought and research put into the very thing which it has been stated is the function of this board.

I suggest to the government that if it really wants to do something for the maritimes and do it in a way which would permanently correct the problems that area faces, then instead of providing welfare capital they should set up a municipal development bank which could supply the public capital needed for public projects, remembering that these public projects are non-profit-making and self-liquidating. They are there to render a service, to set the stage for basic and secondary industries conducted on a private basis. Supposing that we did have a municipal development bank set up on such a basis, providing not $100 million a year but $200 million a year, which as I have said is no more than the subsidies now being paid to the area. Supposing it was to continue this program for five years. This capital would develop the Chignecto canal, if the Chignecto canal is scientifically and technically feasible, as I believe it is. A Montreal turnpike could be constructed so as to facilitate communications with upper Canada. Yes, power projects could be facilitated likewise in the area. I am thinking of the upper Saint John river and also the Fundy tidal system, which is also centred on the Chignecto canal. If research could also be financed in this way so as to conduct the necessary studies as to how the various resources which are there now could be used in a more efficient way, then our markets could be expanded.

For example, I often think of the coal industry about which we have heard so much these last few days in this chamber. The coal research board set up in the province of Alberta has done more to revive the coal industry in Alberta than anything else, so much so that the value of the coal industry in the province last year exceeded anything the industry had produced since immediately following the war. This is the kind of assistance which will help the coal industry. I am sure that when the minister speaks of the need for a power grid, he will realize the assistance required for making this possible, in order to encourage secondary industry is one of the legitimate ways that this kind of capital could positively contribute.

We have heard a great deal during the session about the trans-Canada highway, and we speak of it as though it were finished. In the maritimes it is not finished; a tremendous amount of work has yet to be done. Here is a project which needs to be finished immediately, and finished completely. Again

that is legitimate expenditure of public capital, non-profit capital, there to render a service and to facilitate the development of the kind of industry that private and productive capital has as its responsibility to provide. This is the kind of help that the maritime provinces need.

In addition, I should like to say this to the minister. He has spoken about the program envisaged for the Atlantic development board. Unless the government backs up whatever is done by that board with a basic change in some of its policies which will give support to it, then the board will fail. I am thinking of the transportation problems which concern this area at the present time. As far as public capital is concerned, again I think there is a need for improving harbour facilities. What about some of our basic trade policies? In addition to the requirements for public capital in the Atlantic area, I believe one of the greatest needs is the development of markets. This part of Canada is closer to overseas markets than other parts of Canada, and certainly the maritimes area has a large internal market as well. Our trade policies must be brought into line with the conditions we face at the present time if we are to get out of the economic problems which face us. But days go by; days are followed by weeks, and in turn grow into months and then years. Yet we do not face the reality of conditions as they are. The tremendous markets which are available to the Atlantic area are right here in our own hemisphere, if we want to consider them as such.

I realize that a lot has been done in the Atlantic provinces for the potato industry by reaching out to South America for new markets. That is just an example of what can be done. If we are going to facilitate the freest possible exchange of goods between nations, then not only do our trade policies have to be gone over, but we must also meet the problem of international settlements. We cannot expect the problem which precipitated the crisis in June as far as balance of payments is concerned to be corrected unless we get down to some of the basic flaws which caused it in the first place. Here is where the government will have to back up action, such as that we have talked about today, with a change in some of its present policies, and certainly give greater leadership and more evidence that it is able to cope with these problems in an effective way.

Not only do we have a responsibility to back this particular project with a different look at trade, but also we must solve our tax problem. We are told blithely that we have another royal commission on taxes. Because we have a royal commission on taxes we think that all of our tax reform problems are being taken care of. I do not wish to be repetitious, but again hammering on this point may I say this. We cannot wait for one or two years for a royal commission on taxation before we initiate some of the tax reforms which the Atlantic area must have if industry is going to develop. It is the responsibility of the government to do this and to do it quickly.

We hear so much about royal commissions and about reports that it has been somewhat gratifying to observe that there is evidence of immediate action being taken on the Glassco report. However, we still have gathering dust in some pigeon hole many royal commission reports that have not been acted on. In spite of this we are in general agreement that many of the recommendations are good or that at least they contain some of the basic elements of action that it is necessary to take. I am thinking right now of the O'Leary commission report. Last spring Canadians were told that action was going to be taken. Nothing has happened. The throne speech again stated this was going to be done. Nothing has happened. Why cannot the government come out with these obvious things that our Canadian economy urgently needs?

The government must realize that, in regard to this particular development board, unless they do this very thing they are going to nullify any positive effects that could come from it.

I do not wish to prolong the debate today, as we are but discussing the resolution that will bring this legislation to pass. There will be an opportunity for this as the debate goes on. However, I would just remind the committee of this point. This is a house of minorities and that we have a corporate responsibility to the over-all picture to get behind a piece of legislation like this. I particularly urge on the government that unless they do share in this responsibility, they are failing their own responsibilities at the present time. To support the suggestion that we all agree to is good. Indeed it is basic, in order to facilitate some positive action that will bring about the reversal of conditions which we have today and which we recognize are not to the betterment of our country in order that we can begin to move forward as this country ought to be able to do and can do.

Just to recapitulate a little, I would say again that the greatest need of this Atlantic area if for public capital that will bring to pass those particular public development projects which are necessary and which will assist in laying the climate and clarifying a situation that will attract our own capital in order that this country can go forward and that this area will not remain the depressed area, not the area which is the recipient of

charitable welfare from the rest of Canada but the area which can and will lead the economic recovery our nation needs as it goes forward to fulfil our obligations not only to ourselves but to the generations which are to come after us.

Mr. MacInnis: Mr. Chairman, it is not my intention to make a prolonged speech this afternoon. I have already been very fortunate in having the opportunity to speak on two other occasions with regard to the problems of the Atlantic provinces of Canada. It is very encouraging this afternoon to find from all corners of the chamber some very desirable and in my opinion very objective and worth-while suggestions being brought before the members of this committee.

There is no question at all about the desirability of such a move. As the minister indicated in his opening remarks, this is at least recognition of the problem that has existed in the Atlantic provinces over the years. It is a first step. We are all highly appreciative of the move. Nevertheless this is the first process in adopting legislation with regard to these problems and I feel that it is the responsibility of each of us who are vitally concerned with the matter to make some observations with regard to the resolution with a view to the bill which will be presented to us eventually. I think that this is good procedure. I expect that the minister and the other members of the government will be sufficiently broadminded and objective to perhaps bear in mind and keep in the forefront of their consideration certain of the proposals that will come out during this discussion.

I should like to point out first of all that it is very encouraging to hear the minister review the conditions which have existed in the Atlantic provinces over the years and to a more serious degree in recent years. It is not very long ago, just last June and last spring, when we had ministers of the crown, responsible members of the government of the day, coming to our area and telling us that really our problems were not too bad, that conditions were not as we were suggesting they were. I therefore think this is a good step, recognizing that we have a problem, and as opposed to the statements of the hon. member for Red Deer. I agree with him however that we do not like to talk in terms of a depressed area. I agree with him that we have resources in the Atlantic provinces. We have tremendous resources. None of us, in my opinion, would go so far as to suggest, as did the then minister of national revenue, now the Minister of Finance, that we are going to develop another Toronto in the area. I do not know that we want another Toronto. I say that with all due respect for certain members of my own group. We agree that we have these resources, but at the same time we are obliged to recognize the fact that it has been a depressed area. This becomes clear when you experience unemployment rates which are double the national average; when you experience thousands of people on relief and receiving welfare services; when you experience, without going into detail the trends in employment in particular industries in the manufacturing field where between 1952 and January 1962 our work force was reduced from 33,000 to 24,000; where employment in the coal industry has been reduced from 11,000 miners to 5,700 and in primary iron and steel from 5,300 to 2,800. If you examine unemployment trends in this area in relation to those in any other area in Canada or in all of Canada; if you examine the comparative wage and salary structure; if you examine the construction rates per hour in relation to those in other industrial areas; if you examine average hourly industrial earnings; if you examine net incomes of farm operators—and I could go on and on with taxation figures and what have you—the story is the same. This has been a depressed area. Conditions have been serious. The time has arrived for due attention and due action.

The hon. member for Gloucester during the course of his speech suggested, it seemed to me, that the field of activity for this board is unlimited. At least this is what I understood from his remarks. Again I think we must disagree with this particular view. It is true that there are many things that we would expect such a board and the federal government to accomplish in this area, but surely their field is not unlimited. We have many problems in the Atlantic provinces. The government of the day or the government of the previous day is not responsible for all of them and cannot be expected to solve all of them. I think where their greater responsibility lies is not in that they brought about the problems but in that they have refused to face the challenge that these problems have presented. In other words, what we might criticize them for is not so much the fact that the problems exist but rather the fact that they have failed to take effective action to deal with them.

So I suggest that the federal government, through the Atlantic development board or any other agency, cannot be expected to solve all our problems. Even if they could solve all of the problems that we face in this area, I suggest this would not be a desirable course of action. We in this region still have some pride. There are some things we want to do

for ourselves, and despite most difficult conditions in recent years we have continued to attempt to pull ourselves up by the bootstraps. I do not have to give evidence of this fact. I do not have to refute the argument that our people have a defeatist attitude, that they are pessimists, that they are lazy and will not do anything for themselves, that they do not want to work and want to live off the federal government. All we have to do is to look at the history of these provinces, to look at the self-help efforts of these people in the field of co-operative activity, in the field of credit unions, in the field of marketing efforts on the part of our farmers and our fishermen. These are stories of courage, stories, in particular sections of the area, of people lifting themselves up by the bootstraps.

But the major consideration is that we cannot be expected to solve all of our problems by ourselves. This is an established scientific fact arrived at by various organizations and groups in our own region and in other parts of the country, and that is why we expect such types of assistance as we hope will be provided through the Atlantic development board.

One of our major concerns and fears with regard to this proposed board, and we will be looking at the legislation when it is placed before us, is that this is simply going to be another board to study, another royal commission. We have had quite a bit of experience in the Atlantic area and all across Canada with royal commissions and they have their role to play. Many of them have provided very valuable services to the country. But we are familiar with the Rowell-Sirois commission so far as some of our problems are concerned, and what has happened in recent years. This government which tells us that Nova Scotia has never had a friend like the Prime Minister—

Some hon. Members: Hear, hear.

Mr. MacInnis: —this government which tells us that the Tories have done more for us than anybody else—

Some hon. Members: Hear, hear.

Mr. MacInnis: It is very desirable that you applaud yourselves, because nobody else will. This government has refuted the recommendations of this particular royal commission and has recently changed the formula, for which we can give some credit to the former Liberal government, from equalization and rationalization in our tax rental and tax sharing agreements across the country. As a result the assistance that we are provided today in this area under the Federal-Provincial Fiscal Arrangements Act is no longer based on the yield of the two richest provinces but rather is on the basis of a national average.

I asked the Minister of Finance a question in this regard the other evening and he stood up and very quickly brushed it aside and told me it was very strange that, though I came from the province of Nova Scotia, I was not prepared to admit that the present basis is the best arrangement we have ever had. I prefer to accept what I would regard as a more objective analysis with regard to this problem. I should like to quote from an exhaustive study of federal-provincial fiscal relations prepared by Dr. John F. Graham of Dalhousie University. With regard to our new system of federal-provincial fiscal arrangements I quote the following:

> The new federal-provincial fiscal arrangements for the period 1962-67 are the outcome of a unilateral decision of the federal government rather than of mutual agreement between the federal government and the provinces. They alter the equalization and stabilization elements of the previous arrangements and they constitute an abrupt change with respect to the centralization of control and uniformity of rates of the three direct taxes. They introduced a marked departure from the trend toward greater rationalization of the Canadian fiscal system that had hitherto characterized the war and post-war agreements.

Mr. Flemming (Victoria-Carleton): How many more millions did they give Nova Scotia?

Mr. MacInnis: I will reach that in a moment, if the minister will hold on.

> The new policy is obviously intended to shift back to the provinces the responsibility for levying their own personal and corporate income taxes at a time of acute need of the provinces for larger revenues and of large federal deficits.

The minister asked me how much the federal government is providing under the new arrangements.

Mr. Flemming (Victoria-Carleton): More.

Mr. MacInnis: Once again I will not attempt to be politically partisan. I will read from an objective report, and again I quote Professor Graham:

> Even with its relatively large federal transfers, Nova Scotia had a combined provincial and municipal net general revenue per capita of only 79 per cent of that of all the provinces for the fiscal year 1960-61. Moreover, it was only 69 per cent of the average for Ontario and British Columbia, the two richest provinces.

I would particularly draw the remainder of this excerpt to the attention of the minister and other members of the government.

> It would require about $44 million of additional revenue to bring the amount for Nova Scotia up to the national average, and about $53 million to bring it up to the average for Ontario and British Columbia.

Mr. Flemming (Victoria-Carleton): That is not what I asked. Why do you not answer my question? Mr. Chairman, I should like to ask the hon. member how many more millions of dollars Nova Scotia is getting. I submit the answer is about $5 million more.

Mr. MacInnis: I agree with the minister but, as I have indicated, when this particular agreement was reached there was an attempt to hide the fact that a change or variation had taken place in a very important trend, and as soon as the provisions of the present agreement reach their limit we will begin again gradually to drop behind. The fact remains that we require today an additional $44 million to bring us up to the national average.

Mr. Chairman, we are concerned that this board may do nothing for our area but provide additional study and additional research. Regardless of the tremendous success and the very concrete proposals of the Atlantic provinces economic council, the maritime transportation commission, St. Francis Xavier's extension department, which organization has been working in this field for many years, the many independent economists in our universities and the various conferences, assemblies and meetings of associations that we have had, we are fearful that responsibility on the part of the government is going to be placed with this particular board and that we are going to procrastinate and delay action, not in fields that require additional research—I agree with the minister there—but in fields where action can take place today.

So far as transportation is concerned, we have the MacPherson royal commission which has reached certain findings, and we have the presentations of the maritime transportation commission. We know what has to be done with regard to that problem. We know the history and the purposes of the Maritime Freight Rates Act. We do not need an Atlantic development board to tell us what to do in this field.

I suggest that we can take action in the general field of taxation. A few moments ago the hon. member for Red Deer, with some degree of confusion because I found many of his statements conflicting, suggested that we do not want to continue to pour out thousands and millions of dollars by way of welfare and special taxation assistance, and what have you. Well, Mr. Chairman, I would suggest that the only way we can stand on our own feet is by developing a viable, stable economic base and there is no hope of accomplishing this without temporary and intermediate programs of assistance from the federal government on a long range basis. If we can get this assistance today, and if this assistance is provided on the basis of a logical plan, then I suggest that there will come a day when we in the Atlantic provinces can once again make a real contribution to this nation, when we can stand on our own feet. This is what we want. This is the condition toward which we are working. It is in the interests not only of our people in the Atlantic provinces; it is in the interests of the nation.

There are fields of action, Mr. Chairman, in which we can expect action on the part of the federal government through the Atlantic development board today. They do not have to wait for additional research and study through the proposed Atlantic development board. We were hoping that this was simply not another royal commission by means of which the government would attempt to slough off its responsibility and postpone the evil day when they were finally forced, by public opinion, to make the changes needed. We are familiar with the Rowell-Sirois commission. More recently, we have become familiar with the Rand commission which was to study and inquire into the development of long range policies in respect of the coal industry. Where is the report? Where are the policies? Where is the long range program? How long are we going to have to wait for this one? We have had royal commission after royal commission; we have had study after study. We require additional studies, yes, but we require action today.

One of the areas for example, Mr. Chairman, in which the federal government, through the proposed Atlantic development board, might profit by some research would be the field of the implementation of freer trade policies in the Atlantic region of Canada. I think we would all have to admit that since 1867 all of our tariff negotiations have been conducted with a view to the development of a nation with a central core of strong industrial development. Well, I suggest that the time is ripe for giving special consideration to the Atlantic provinces of Canada in future tariff negotiations. One could call to mind such possibilities as exist in the steel industry in the Atlantic provinces. Under a system of freer trade, one could think with tremendous optimism of the potential that exists, for example, in the presently seriously depressed Trenton-Pictou area of Nova Scotia. If we could arrange, on a free trade basis with the United States, to transport some of our cars and axles into this part of the United States we could develop one of the biggest industries in this nation.

This is one of those fields in which the European economic community and the United States produce 80 per cent of the materials, and therefore would be eligible for a complete reduction of the tariff. Then, it would be possible for us to export some basic steel and some structural steel. These are the

types of things that I feel are more related to a long range program than to additional research and study. There are things that could be attended to immediately, and I hope the government is not going to ignore them.

One of the fears that we have in respect of the proposed Atlantic development board is the question of finances. It has already been brought out by several of the speakers —I am not going to repeat it, I simply want to call attention to the fact—that we cannot solve the problems of this area in this or that particular section of the economy. It must be a co-ordinated plan of development with action taking place in both the public and private sectors of the economy. This means you must have funds to stimulate economic activity. This means you must have funds with which to generate enthusiasm and optimism on the part of certain investment segments of our country. This means the federal government is going to have to take the lead and provide some real and worth-while amounts of money and pump them into this part of Canada with a view to developing the resources of this area.

I want to say one word, Mr. Chairman, with regard to the attitude that was expressed by the hon. member for Red Deer. I do not have his exact words, but he said something about not preoccupying ourselves with more systems and suggestions of welfare, and particularly federal government handouts. I agree with him that this is not the objective, this is not a desirable thing so far as a program for the economic development of our area is concerned. However, I would ask him to study some of the other reports that have come out of the Atlantic provinces, to study all the statements that have been made by representatives of existing industries in the area, the steel industry and others. I think you will have to agree that it is an established fact that in order to attract new industry into an area you have to be able to provide the same level of essential services to the children of the people who are going to be brought in to run these companies, the management people and so on.

It is essential that we in Nova Scotia be able to provide our people with the same level of educational facilities as they have in Ontario or British Columbia. This applies as well to the field of hospital facilities, roads and other things. The hon. member for Red Deer is shaking his head, but this is the impression he gave. We cannot do this at the moment because we do not have the same tax base and this would mean we would have to have higher taxes. You are not going to attract any industry into your area if it is going to pay taxes that will not allow it to exist and sell its products on a competitive basis. There is only one answer, one way to circumvent that position and that is through a temporary plan of government assistance that will enable us, sooner or later, to stand on our own feet and to attract new industries that can compete.

The Deputy Chairman: Order; it being five o'clock it is my duty to leave the chair in order that the house may proceed to a consideration of private members' business, pursuant to section 3 of standing order 15.

Progress reported.

PRIVATE BILLS

MERIT INSURANCE COMPANY

Mr. Alan Macnaughton (Mount Royal) moved the second reading of Bill No. S-14, respecting Merit Insurance Company.

He said: Mr. Speaker, this is a bill which we have received, of course, from the Senate. The purpose is very simple. The sole purpose of the bill is to add a French version to the name of Merit Insurance Company so that the title in French would read Mérite, Compagnie d'Assurance.

(Translation):

Mr. David Ouellet (Drummond-Arthabaska): Mr. Speaker, the Merit Insurance Company, which operates mainly in the province of Quebec, is a very good and very important company. I feel that the house should give its immediate support to this measure so that this insurance company may have a French as well as an English name. I must congratulate the company for taking a French name, as unfortunately many companies forget to do so. I think it is a noble attitude on the part of the company.

In my name and on behalf of our group, I congratulate that firm for having thought of this change.

(Text):

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

THE CHRISTIAN BROTHERS OF IRELAND IN CANADA

The house in committee on Bill No. S-7, to incorporate the Christian Brothers of Ireland in Canada—Mr. Legere (for Mr. Morris)—Mr. Paul in the chair.

On clause 1—*Incorporation.*

Mr. Mather: Mr. Chairman, I rise simply to say that we have no quarrel with this clause or indeed with the bill. We have examined it in committee and are convinced that it is simply standard procedure to have this type

of clause in the bill in order to establish more power and efficiency for the church concerned and its officers. The church seeks to carry on its spiritual, educational and, as they say, temporal work in a better and more organized way. We are in agreement with that principle as it is expressed in this clause and in the bill itself. There happens to be one of the agencies of this organization near the area I represent, and I can tell the committee that its work does harm to none, and I think does benefit to those of its particular faith. Beyond that, the school in question has a very good football team. Therefore we are very much in favour of this legislation.

The Deputy Chairman: Shall clause 1 carry?

(Translation):

Mr. Plourde: Mr. Chairman, it gives me pleasure to rise and urge the hon. members of this house to let this bill go through with no further discussion.

This concerns a new congregation dedicated to the training and the education of our young orphans and to the education of those who wish to improve their knowledge.

If we had more congregations of this kind to look after our youth, we would not be faced with all our present problems now.

There is a lack of leaders because the basis is missing. And this bill offers a way to assist that congregation by incorporating them.

(Text):

Clause agreed to.

Clauses 2 to 16 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported and read the third time and passed.

ALETHEA SARAH IVY FOWLER

Mr. Nicholas Mandziuk (Marquette) moved the second reading of Bill No. SD-12, for the relief of Alethea Sarah Ivy Fowler.

Mr. Frank Howard (Skeena): Mr. Speaker, the bill before us—for which I have the printed copy of the evidence that was taken before the committee of the Senate which deals with these matters—seeks, as is indicated in the preamble, to dissolve a particular marriage, based upon certain facts as alleged in a petition and certain evidence as given before the committee to support the facts contained therein. I think that inasmuch as this bill seeks the dissolution of a marriage we should inquire as to whether there is a marriage to be dissolved, because this perhaps is not always felt to be necessary.

[Mr. Mather.]

One of the paragraphs of the petition, as is indicated in the preamble, alleges a particular fact, namely that a marriage did take place between the two people concerned, that it was by licence duly obtained, and the marriage was celebrated by the Reverend J. R. Graham, at the manse of St. Andrew Presbyterian church in the city of Sherbrooke, in the district of St. Francis. In the hearing before the Senate committee the petitioner was placed under oath and asked certain questions with respect to the marriage. A document was filed. I do not have it in my possession, but it is undoubtedly in the possession of the holder of all the official information with respect to this case. That document was a marriage certificate. I doubt whether it is necessary for us to actually obtain that particular document to see whether in fact it is a certificate, because it was identified by the witness under oath and produced to the committee of the other place. When the petitioner was before the committee as a witness on her own behalf, the clerk of the committee asked her certain specific questions with respect to this allegation of marriage. He asked as follows—

Mr. Speaker: I wonder if the hon. member has fully considered the import of citations 482 and 483 which I drew to his attention the other day with regard to these matters? I am wondering whether what he is doing now is merely to call into question certain parts of the evidence, or certain facts which may be a little different from those he was discussing the other day, at which time I drew his attention to those particular citations.

I would again indicate to the hon. member that the house does not profess to decide on second reading as to the truth or otherwise of the questions of fact involved. If I may remind the hon. member of the words in citation 483 of Beauchesne's fourth edition—

> —in conceding a second reading for a private bill, the house is regarded as merely giving its sanction to its general principle on the hypothesis that the committee to which it is afterwards referred finds those allegations proved. It is usual, therefore, to allow the second reading except where the bill enunciates some principle which the house is not prepared to affirm.

For that reason I do not feel it is proper to go into the question of whether the marriage was proved or whether adultery was proved, or those matters which are allegations of fact. In the same manner one might say different witnesses never appeared before the committee of the other house. I would respectfully suggest to the hon. member that we are discussing the principle of the bill, not the allegations on which it is founded and that those allegations are matters for the

consideration of the special committee of this house to investigate and report back for further consideration.

Mr. Howard: Following your comments on a previous occasion, Mr. Speaker, I did look at the citations to which you referred. I also looked at what you allowed me to say on November 15 with respect to Bill No. SD-1 for the relief of Madeleine Francoise Hankowski. That was on second reading, incidentally the same stage which this particular bill has reached. I myself, with Your Honour in the chair, recited verbatim from the evidence adduced, the questions asked and the answers given, as will be found on pages 1671 and 1672 of *Hansard*. There are six questions and six answers in number, all of which revolve around the question of the marriage and the evidence given in the other place to prove there was a marriage. I made reference to this on other occasions, too, and I assumed therefore that it was permissible to proceed in that direction and in that direction only—to consider whether or not there was a marriage which we were being asked to dissolve.

I think perhaps at this stage a lengthy recitation or reference in detail to the evidence taken in the other place as to whether there was or was not adultery might have doubtful validity because of the citations to which Your Honour referred, and we therefore refrained from making such references in detail. I, myself, refrained from discussing that particular aspect of the question. We are being asked now, I think, to follow two different courses, one which applied on November 15, when you yourself were in the chair, and the other which apparently is to apply now. This makes it awkward for hon. members who are concerned with these particular bills to discuss them from the point of view we have in mind, if there are to be different attitudes taken by the Chair in relation to precisely the same thing. I hope this is not the case, but it does leave me and, I am sure, other hon. members, in a quandary as to what the rules mean. I would appreciate some guidance from you before we proceed as to just what is the principle of the bill, if that is all we are intended to discuss.

Mr. Speaker: In so far as the question of what may be discussed at this time is concerned, I think it is clear that there is before us a bill which proposes that the marriage on a certain date between certain parties should be dissolved, as indicated in the preamble. That is the principle of the bill. If the hon. member can show me the difference between going into considerable detail as to whether there ever was a marriage, by looking at the evidence, and whether there was any adultery, by going to the evidence, I should be glad to hear him, but I have some difficulty in distinguishing them. Certainly, the question of proof of either of these things is not, I submit, for the consideration of the house at this stage. They will be, ultimately, through the committee; but not on second reading. If the principle of this bill that this marriage be dissolved does not meet with the approval of the house, then the thing is to vote on that point so as to decide one way or another, in this particular instance without reference to the evidence behind it, but bearing in mind what is the difference between a private and a public bill on second reading.

Mr. Howard: Apparently, then, Mr. Speaker, both you and I were wrong on November 15 when I was permitted—in fact, I thought latterly or subsequently, invited—to look at the evidence to discover whether certain things were worth while mentioning. I do not want to enter into discussion with Your Honour. Of course, that is not the thing to do, nor is this the place to do it. But if the principle of the bill is the dissolution of a marriage and if, as Beauchesne says, the house finds that that principle is objectionable, refusing its consent to second reading, and so on, it seems a little odd that the house should be asked to assent or disagree with the principle of a bill without having before it any explanation at all.

With regard to other bills, such as the bill we have just passed respecting the Merit Insurance Company, the sponsor got up and explained what was the principle of the bill. There was no objection to his doing this. We have heard lengthy introductory remarks made in connection with other private bills—remarks indicating the effect the bill would have and what was going to happen if it passed and what was not going to happen, and so on. There has been lengthy argument and discussion on second reading. A notable example is the bill concerning the Allstate Life Insurance Company of Canada which we discussed at the last hour available for the consideration of private bills. A lengthy explanation was given by the sponsor of that measure as to its principles, the desires of the people behind it and so on. Yet when we get to these particular bills on divorce we are being asked to consider them without discussion and without reference to what may or not be the facts—that is, if Your Honour's earlier invitation to look at the evidence does not mean anything, to guess whether or not the principle is acceptable.

It seems extremely unfair to put the house in such a position, Mr. Speaker. I am sure that if we had to vote on each bill without

a great deal of reference to it, then there would be no alternative but to ask hon. members to vote blindly yes or no. We would be asking them to do that without any indication of what the principle of the bill is, other than saying that the principle is to dissolve a marriage. I am not going to go into the other question whether or not the reasons for the dissolution are correct ones, but it does seem an extremely awkward position in which to place hon. members. Mr. Speaker, I cannot go any further, except once again to say that by following this course of adhering strictly to your reasoning and ruling places us in no other position than to vote blindly yes or no on each bill.

Mr. Baldwin: Mr. Speaker, I was in the house on the November 15 when discussions took place about this matter. As I understood the proposition at that time, you attempted to indicate what the principle of the bill was, namely the relief to be provided to such-and-such a person, consisting of the dissolution of their marriage. I think the suggestion was made, or so I understood from the comments both of yourself and the hon. member, that one might look at the evidence taken in the other place in order to obtain information on the question whether or not there had been a marriage. If there had not been a marriage, of course there could be no relief granted; but I do not think it was ever suggested, and I certainly did not get this impression, that we should survey the sufficiency of the evidence and examine whether there was adequate evidence for the purpose. If the evidence taken in the other place was plainly and specifically directed to establishing that there was no marriage, then I think any hon. member could say that he objected and intended to vote against the principle of the bill, because there was no marriage and no relief to be given.

That is an altogether different position from suggesting, as does the hon. member for Skeena, that this gives him or any other hon. member the right carte blanche, to examine piece by piece and item by item the evidence taken before the committee of the other place so that in considering the principle of the bill on second reading, we could decide whether or not relief should be granted on the evidence taken before the divorce committee of the other place. If there was no evidence at all to establish the marriage, then I think that is adequate evidence on which to say that we are opposed to the bill; but we should not go into the sufficiency of the evidence, which is a different matter.

Mr. Crestohl: Mr. Speaker, I think the hon. member who is opposing second reading of the bill, having based himself on some examples he gave to the house, is confusing two things. When we have before the house a bill to change the name of a company—Allstate or any other—that is one matter. But these bills have all been before another committee. That committee has heard all the evidence. It has gone into all the proof which is available to this House of Commons, and the bills are now before us with all that evidence accepted and approved.

Mr. Speaker, I think on the date that the hon. member referred to I raised this question on a point of order, and Your Honour ruled upon it. Because you were generous enough to allow the hon. member to proceed a certain distance and ask certain questions or read certain evidence, I do not think it sets a binding precedent. We raised an objection then and you ruled upon it. We respectfully submit that what the hon. member is trying to do now is something altogether different from the examples he gave in dealing with an insurance company. These bills are before the house complete in all detail, and you are right, Mr. Speaker, when you say that all we can do now is to deal with the principle whether there should be an annulment or a dissolution of the marriage or whether there should not. As you have cited quite properly, I do not think we are in a position to go into all the evidence, as the hon. member suggests. If he wants to go into all the evidence for the sake of giving this house a lot of information it really does not need, and which it already has anyway in print, then I think he is completely out of order.

Mr. Pickersgill: Mr. Speaker, I was very impressed, as I nearly always am, by what was said by the hon. member for Peace River. It seems to me that the point that the hon. gentleman made could very well be illustrated by this bill concerning the Merit Insurance Company. When we were discussing that matter I noticed that the hon. member for Skeena did not get up and ask whether there was a Merit Insurance Company, and ask for its marriage or its birth certificate. We all took it for granted that there was such a company.

If the hon. gentleman could bring irrefutable evidence—and I mean irrefutable evidence, not just conjecture or speculation and waffling around among documents—to indicate that one of these petitioners was silly enough to come here and spend his or her money in trying to get a divorce when there was no marriage at all, then I think he would have a real point and we would want to drop the bill then and there. But it does not seem to me that it is reasonable or right, when all we are considering is the principle of a bill, for any hon. member to seek to transgress the rules of the house, or to take up the time

of the house which is supposed to be devoted exclusively to discussing the principle of this bill—and the only principle I can see is whether or not there should be a dissolution —by all sorts of irrelevancies which are obviously not pertinent to the main question.

If any hon. member does not want to have one of these marriages dissolved, he can ask for a division on the measure and have the question settled that way, so that all of us have an equal right to determine it. It seems to me that it is about time—

Mr. Benidickson: We want to avoid this whole impasse.

Mr. Pickersgill: Well, speaking for myself, I say that I want to see parliament do what parliament ought to do, as long as there is no other method of doing it, and that is to provide relief in these cases.

It does not seem to me, sir, that procedural devices which the Chair repeatedly questions, and which I hope Your Honour intends to rule against, in the sense that Your Honour appears to be ruling, will be allowed any longer to delay the proper determination of these matters.

Mr. Peters: Mr. Speaker, it seems to me that if the hon. member for Bonavista-Twillingate had his way and the principle of this bill was that which he mentioned, namely whether we should handle these bills in the house or not, then that question would be debatable and a lot of people would co-operate with him. But it seems to me that in this as in the case of all other private bills there must be some principle or else we would not be handling it at all.

I find, not from looking at the evidence but from looking at the bill itself, that certain allegations are made, and some of those allegations must have some relationship to the principle. I think the allegations are the adultery charges and the other charges involved, which I think Your Honour has ruled are not to be discussed at this stage—and I think that is perfectly clear and correct. However, if there was no marriage of the parties described in this bill, then I think there is no principle, and unless the bill were worded differently there would be no point in its being before us.

For this reason I think we should have the opportunity, as we would with any other bill, of discussing that principle. Some hon. members may never have read one of these bills, and in case they have not, I should like to read not the preamble but one of the clauses to the bill. It says:

> The said marriage is hereby dissolved and shall be henceforth null and void to all intents and purposes whatsoever.

Nothing can be amended or changed in any way if there is not a principle to change. It would seem to me that the principle must be the marriage itself. I would respectfully submit, as the lawyers say, that this is the principle of this bill and that hon. members on second reading should concern themselves at least to this degree with the principle of the bill.

Mr. Douglas: On two occasions in the last few minutes it has been said that we are limited to discussing the principle of the bill, that the principle of the bill is whether or not we wish to dissolve a marriage, that any member who wishes to object to the dissolution of a particular marriage can vote against the bill, and that those who wish to dissolve a marriage may vote for the bill. It seems to me that it is preposterous to ask me as a member of parliament to agree to the dissolution of a marriage or to vote against the dissolution of a marriage without being able to discuss and debate the alleged grounds for asking that the marriage be dissolved, without any opportunity to discuss whether or not proper and adequate provision has been made for the children of such a marriage, if there are any, and whether or not adequate provision has been made for the wife through alimony. How is any member of this House of Commons, intelligently and with a proper sense of responsibility, going to vote to dissolve a marriage unless the germane and relevant matters have been discussed and debated?

Mr. Benidickson: The hon. member referred to one marriage out of 500 that might come before parliament for investigation.

Mr. Douglas: Not only with regard to one out of 500 but with regard to every one of the 500 I say you have the right to have this kind of information. If members of parliament are going to exercise the power to dissolve marriages, they ought to exercise it with a sense of responsibility. If ever there was a demonstration of the travesty of the House of Commons having this power, this is it. This is exactly why it ought to be taken away from this parliament. However, if we are to be compelled to exercise this power, then let us exercise it with a proper sense of responsibility. I submit that we cannot exercise it with a proper sense of responsibility unless we can discuss the grounds upon which it is wise and appropriate to dissolve a marriage or the grounds upon which we should vote against dissolving that marriage. I submit that I do not know how it is possible to discuss the principle of dissolving a marriage unless we can discuss and debate all the relevant facts which make it either advisable or inadvisable to grant dissolution of a marriage.

Mr. Pickersgill: Since we are on an extremely important point of order, Mr. Chairman, I wonder if I might say a word in direct reply to what has been said by the hon. member for Burnaby-Coquitlam. It seems to me that his argument, which would otherwise be valid, is based on a totally false premise. It seems to me that the false premise is that the agreement to the second reading would dissolve the marriage. It would do nothing of the kind. It would send the bill to a committee where any and every hon. member who wishes to do so can satisfy himself to his heart's content, in a proper atmosphere, where it could be done, not by debate and the clash of opinion but by the examination of evidence, something which cannot possibly be done on second reading in the House of Commons. If this were the only opportunity to consider the matter, if second reading in the house were the only opportunity to consider the merits of these cases, I would agree wholeheartedly with the hon. member for Burnaby-Coquitlam. However, it is not the only opportunity. All that second reading of this bill or of any other private bill is, is a device whereby this house gets it before a committee—as every private bill goes to a committee—where the evidence can be properly sifted. It is only on third reading that a decision is being made as to whether or not the bill shall pass and the relief be granted.

It therefore seems to me that the hon. gentleman's argument falls totally to the ground. All we are deciding really is whether there is a prima facie case for sending the bill on to the committee and nothing else. It seems to me that is the only thing that ought to be debated. To use the rules of the house as an indirect device, as some hon. members seem to wish to do, for seeking to impose the will of a minority upon the majority about a matter on which they cannot get the support of a majority, seems to me to be an abuse of the rules of the house.

Mr. Orlikow: I had not intended to speak on this bill, Mr. Speaker. However, as a member of the miscellaneous private bills committee, who has not yet attended a meeting of it, I wish to say that I have no more faith that the matter would be discussed logically and intelligently, that the committee would get any more of the facts or that the committee could bring to this house a sensible and reasonable recommendation than I have that we can do it here without discussing the actual cases. I understand that this morning, as it has done on other occasions, the committee passed a block of nine or ten of the bills without calling a single witness and without doing anything but get the report from the other committee.

[Mr. Douglas.]

Mr. Speaker: Order. The hon. member is not in order at this time in discussing anything that transpired in a standing committee, whether based on actual knowledge or on reputed knowledge through a report in the press or otherwise. He can only deal with the subject matter of what has transpired in the committee when the committee report is made and the report is before us, but not otherwise.

Mr. Orlikow: I do not wish to argue with your ruling, Mr. Speaker. However, if we cannot discuss these cases here in the house on this debate on second reading, my contention is that there is no adequate opportunity to discuss the matter in the committee at any stage. If we cannot really discuss it on third reading when it comes here, what are we here for? I think the point which the leader of our party made is very germane, namely that this house cannot discuss this matter sensibly at any point and that therefore it ought not to be here. I think that is the main point we are trying to make.

Mr. Speaker: Order. Unless hon. members will make a new point in regard to this point of order, I am quite prepared to indicate what my views are. However, I will hear the hon. member for York South if he is going to add something new.

Mr. Lewis: I do not know whether or not it is new, Mr. Speaker, however, I wish to point out that the hon. member for Bonavista-Twillingate obviously exposed a lack of logic in his presentation, if I may say so, by his very argument in that towards the end of his proposition he said to the house that what we are doing on second reading is satisfying ourselves that there is—and these were his words—a prima facie case to send the bill to committee. I ask the hon. member and also Your Honour how it is conceivably possible to decide that there is a prima facie case or any other kind of case to send anything to the committee without being able to discuss some of the relevant bases on which the bill before the house is founded.

I suggest to you, Mr. Speaker, that to apply the term "principle" in the way in which it is sought to apply it on a discussion on second reading of this kind of bill is to divest the word of any relevant meaning at all and is to engage in merely circular reasoning. What in effect is suggested is that on second reading all we can discuss is whether or not this bill is, if you like, something that can go to committee; but are not allowed to discuss what that something is that is to go to committee. I suggest, Mr. Speaker, that what in effect this kind of

ruling means is that this House of Commons is to act as nothing more than a rubber-stamp on second reading.

Before us is the title of a bill. We are then to rubberstamp it and send it to some committee for whatever that committee may or may not do. If that is done I submit that this house, as the hon. member for Burnaby-Coquitlam has said, is not doing its job and we cannot possibly vote either for or against the bill with any sense of satisfaction at all because we are not voting on the basis of any knowledge or understanding or appreciation of what the bill is really about. Surely that is not acting as responsible members of parliament.

I throw back at the hon. member for Bonavista-Twillingate the suggestion that a minority is seeking to impose something on the majority. He can interpret it as he pleases. I suggest to you, Mr. Speaker, that on this issue this group is presenting, if I may say so without offence, the only logical, the only consistent proposition, the only proposition that makes sense, namely that this house either act responsibly or not act at all.

Mr. Speaker: Order. If the hon. member for Greenwood has anything new to add I will hear him, but this point of order has been canvassed across and up and down.

Mr. Brewin: Mr. Speaker, I have a point that I think is new. It is certainly new on the question of this ruling, and it is a question of principle. What is the principle of the bill? The bill before us merely provides for the dissolution of a certain marriage. It does not deal in any way with the question of whether the wife, whose marriage is being dissolved, is adequately provided for. On an examination of the evidence it does appear that she has inadequate means to provide for herself.

If the matter is to go to a committee of this house it should go with some understanding of the principle, and as far as I am concerned there is a basic principle which the hon. member for Bonavista-Twillingate may ignore if he will. That principle is, is it responsible for this house to direct this committee to inquire into a bill that totally fails in principle to deal with an important matter of this sort? I suggest that it is not responsible for the house to pass this bill without providing in it that there be some investigation of this crucial matter.

Mr. Berger: Mr. Speaker, may I respectfully—

Mr. Speaker: One moment. The hon. member for Portage-Neepawa.

Mr. Enns: Mr. Speaker, I feel there is another principle that we seem to be forgetting. I have the uncomfortable feeling that the debate, as it is progressing, is really putting parliament in the awkward position of being in violation of one of its own statutes, the bill of rights. Surely there are individuals who are entitled to the benefit of the law. Whether it is a perfect law or an imperfect law does not mean to say that we should circumvent the law. If we do not like income tax we still have to pay it, though we might want to amend that law. Here is a law under which marriages are dissolved and this is not being allowed. Therefore I suggest that the rights of those individuals who are not being given this right are being violated.

Mr. Speaker: Order. The question before me at the moment is a point of order with respect to whether certain evidence will be examined in detail or otherwise on second reading. That is the neat issue once and for all. If hon. members wish to address themselves to the point, that is the question, but otherwise the Chair is prepared to make its ruling.

Mr. Berger: Mr. Speaker, may I attempt to assist Your Honour in determining this question? Your Honour has suggested that the matter—

Mr. Benidickson: Is the hon. member speaking on the point of order?

An hon. Member: Would you kindly sit down until he makes it?

Mr. Speaker: Order. Hon. members will not address one another directly in this fashion. I would ask the hon. member to address himself to the point of order and continue with his remarks.

Mr. Berger: I was about to do so before the interruption. Your Honour suggested that all that the house may consider on second reading of this bill is the principle of the bill, and I think that all hon. members are entirely in agreement with Your Honour on that score.

The difficulty arises at the next stage. The hon. member for Skeena has suggested that in order to determine whether the principle of the bill is sound it is necessary to investigate the truth or falsity of certain matters that are found in the evidence. I suggest that upon reflection Your Honour will conclude that in fact it is essential for the house to consider the question whether there is a valid marriage and whether the other conditions which are necessary for the granting of relief have been satisfied in this case. Otherwise it seems to me, with great

respect, that the house has really nothing at all to talk about when such a bill comes before it.

In other words, if the house is not at liberty to consider the truth or falsity of the allegations upon which the right to any relief rests in this case, the only thing the house can talk about is the general advisability of marriages being dissolved at all. The house has before it this bill, a single bill. It has before it this marriage and only this marriage. The question therefore is whether this bill should be read a second time and whether this marriage should be dissolved.

As a new member, Mr. Speaker, I hesitate to question any suggestions that come from the Chair but, with great respect, I suggest that in logic and in common sense the position taken by the hon. member for Skeena is sound. I came into the house this afternoon looking forward to hearing the remarks of the hon. member for Skeena with respect to this bill.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I do not think the hon. member is doing anything but traversing arguments that have already been put forward. In actual fact he is flying directly in the face of citations 482 and 483 in this regard. On this point I think I have heard quite sufficient from both sides of the house and on several sides of the question. It seems to me that there is a misapprehension as to the difference between second reading of a public bill and of a private bill.

I would also place this point before certain hon. members who have spoken—perhaps there are others—who may not have an appreciation of the functions involved and what is going to happen to this bill or bills of a similar type if they should receive second reading. There is a miscellaneous private bills committee in which this bill can be studied. If hon. members will either become members of that committee or attend the meetings of that committee, as others have done, they will learn what can be done at that committee. If its members are not satisfied they may request that the witnesses be called and examined, as has been done by that committee. That is the purpose of having the bill referred to the committee and why it is not discussed here in the house.

It is on that basis that I am of the opinion that on second reading it is improper to discuss any of the evidence. It is only proper to discuss the principle of the bill. Shall there be or shall there not be a divorce or relief as sought in the bill? Appreciating as I do the nature of the second reading of a private bill as indicated in citations 482 and 483 in Beauchesne, which furthermore has been the practice of this house for years and has been accepted by all, I would point out that it is acceptance in principle only, with the bill being referred to the committee for greater study.

That is what my ruling is. If hon. members find the principle of the bill repugnant they may seek to defeat the bill but only on the basis of principle and not by going into the evidence.

Reference was made a few moments ago to another private bill. It would have been equally meritorious, I would suggest, to seek to have the hon. member who presented the bill put before the house the certificate of incorporation of the company or other documentation of the company. This is not done on second reading in this house. It may be done in the committee. That is what I propose to rule, and I so rule.

Mr. Douglas: Could we be exact about the ruling? When you said what you were going to rule upon a few minutes ago, it was whether or not on second reading the evidence could be gone into in detail. Do I take if you are ruling now that the evidence may not be referred to at all or that it may not be gone into in detail?

Mr. Speaker: In the presentation of a bill, the hon. member presenting the bill could say, this is an act for the dissolution of the marriage between such and such parties on such and such a date; that is all. It is quite irrelevant to this particular point, I would submit to hon. members to talk about children or maintenance. There may be some lawyers who would reflect upon this question. Is this house empowered to deal with the question of children, is it empowered to supervise these matters and how could it enforce any such bill, particularly one relating to the custody of children? I think we could have a very serious argument on constitutional grounds. In the same way, does the house not have some difficulty in dealing with a property settlement, or with the awarding of maintenance or alimony? Surely, at the moment there is existing machinery with regard to these matters. I say that we are not going to go into the question of evidence on second reading.

Mr. Douglas: I think Your Honour has given a very convincing argument as to why parliament should not be handling divorce.

Mr. Howard: Since I had the floor debating a bill before the point of order arose, and with the greatest respect to your ruling and all the discussion about it, and since I have

been invited by yourself, by the Liberal party and others to blindly vote yes or no for this particular bill, I see no other course available but to put the house in the position of dividing on each and every one of these bills.

Mr. Brewin: May I ask for a ruling in respect of your own ruling? You mentioned the problem of the jurisdiction of this house to deal with such matters as maintenance and custody. Did Your Honour make any ruling in that respect, because if you did I should like to discuss it with Your Honour?

Mr. Speaker: I have made no ruling in that regard. I said the point had been mentioned but I felt it was quite irrelevant to the point of order. I merely addressed those thoughts to hon. members for their cogitation on some occasion; it is not a ruling. In so far as this particular bill is concerned, if anyone wishes to speak on the principle of the bill along the lines indicated by the Chair, then we will go ahead. Otherwise, I will put the question.

The house divided on the motion (Mr. Mandziuk) which was agreed to on the following division:

YEAS

Messrs:

Addison	Garland
Aiken	Gray
Alkenbrack	Green
Baldwin	Grills
Baskin	Gundlock
Beer	Hales
Bell (Carleton)	Halpenny
Bell (Saint John-Albert)	Hanbidge
Bigg	Harkness
Bradley	Harley
Brown	Hellyer
Byrne	Hodgson
Cadieu	Honey
Cardiff	Horner (The Battlefords)
Carter	Howe
Casselman, Mrs.	Jones
Chaplin	Jorgenson
Churchill	Kennedy
Clancy	Kindt
Clunis	LaMarsh, Miss
Coates	Macdonald (Rosedale)
Cooper	MacEwan
Cowan	MacLean (Queens)
Crestohl	Macnaughton
Crouse	MacRae
Davis	McBain
Dinsdale	McIlraith
Doucett	McIntosh
Drury	McLean (Charlotte)
Enns	McPhillips
Fairclough, Mrs.	Mandziuk
Fairweather	Matheson
Fane	Millar
Fleming (Eglinton)	Mitchell
Fleming (Okanagan-Revelstoke)	Monteith
Flemming (Victoria-Carleton)	Moore
Forbes	More
Forgie	Muir (Cape Breton North and Victoria)
	Muir (Lisgar)
Munro	Skoreyko
Nasserden	Slogan
Nesbitt	Smallwood
Nicholson	Smith (Simcoe North)
Noble	Southam
Nugent	Starr
Ormiston	Stefanson
Pascoe	Stenson
Patterson	Thomas
Pennell	Thompson
Pickersgill	Tucker
Pugh	Wahn
Rapp	Walker
Rowe	Webb
Rynard	Weichel
Sams	Winkler
Simpson	Woolliams—111.

Division

NAYS

Messrs:

Berger	Martin (Timmins)
Brewin	Mather
Douglas	Orlikow
Herridge	Peters
Howard	Scott
Lewis	Winch—12.

Bill read the second time and referred to the standing committee on miscellaneous private bills.

Mr. Benidickson: I was paired.

Mr. Cameron (High Park): I was paired with the hon. member for Queens (Mr. MacLean). If I had voted I would have voted in favour of the motion.

Mr. Speaker: The hour for private members' business having expired, the house will revert to the business which was interrupted at five o'clock.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration in committee of the following resolution—Mr. Flemming (Victoria-Carleton)—Mr. Chown in the chair:

That it is expedient to introduce a measure to establish an Atlantic development board and to define the duties thereof, to provide for the appointment of the chairman and other members of the board and for the payment of certain expenses of the members thereof, to provide for the appointment of an executive director of the board and for the payment of his remuneration, to provide further that the board may engage the services of such advisers and staff as may be necessary to enable it to carry out its duties and to provide further for other related and incidental matters.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. MacInnis: Mr. Chairman, if I could continue to summarize some of the concerns

or fears we have with regard to the proposed Atlantic development board, I would refer to one particular matter to which the minister, in introducing the resolution before us, referred—a matter he had also raised when he was premier of the province of New Brunswick—and that is that we hope that economic policies which would be adopted in relation to particular economic circumstances facing the nation as a whole would not be unilaterally applied to a particular region of the country such as the maritimes. This has, of course, particular significance in the situation such as that which faces Canada today. Because of the situation which exists, austerity is precisely that much more serious in our region. I was somewhat concerned at the reference the minister made, when he said something along these lines: that no preconceived suggestions or conclusions, would be acted upon. I can understand why he would want to refer to that, but once again I hope this is not a means of slowing down action which can be taken in certain fields by the government without further study.

We also hope that consideration will be given to the question of certain companies growing fat on government assistance. Because we are not demanding assistance for the sake of assistance. If there is a place for particular subsidies for a given industry, we would hope that these would be investigated and supervised in order that no particular section of our economy benefits as a result of the situation facing us in our area. Therefore I suggest that there are some major projects, such as the Chignecto canal, which I hope will not be proceeded with simply because some particular individual or some small group of individuals in the Atlantic provinces sees this type of project as something worth while. Perhaps it is; but I suggest that it is unlike those other conclusions we have reached in certain particular areas which we have been studying for a number of years, and on which there is agreement in the region and across the nation. This is a matter in relation to which we have to ask some questions, such as these: Who will benefit from a Chignecto canal project? Will it add in any considerable measure to the lives of our people in this region of Canada?

The minister, during the course of his introduction of this resolution, referred to the fact that for some reason or other we have lagged behind the rest of Canada. We understand what this reason is. In 1867 we decided to build and to found this nation of Canada. In order to do that we had to implement and act upon national development policies—the trans-continental railway system, our tariff barriers, the opening of the west, and what have you. As a result of these policies, which were not based on traditional economic principles, we defied economics in order to build this nation, and in so doing we in the eastern region of Canada have suffered economically. Therefore we have reached a point where it is time that regional policies made up for the difficulties which have been created in our area while certain benefits were provided to people in other parts of Canada.

One final point, Mr. Chairman, with regard to any program of development in any region of Canada. I suggest that there is no hope in an Atlantic development board, or in any body involving a similar principle, for accomplishing the objectives of such a program until we can find the answer to solve the economic problems which face the nation. You cannot talk about full employment, which is a desirable goal for the Atlantic provinces, until we can provide full employment across Canada. We know what the situation has been over the years in that part of the country. We have witnessed and experienced some degree of prosperity when conditions were good in other parts of Canada, and the extra trickled over the brim and ran down to our people. The only times we have ever had real prosperity were during the railway construction boom and during the two previous world wars. We suggest that these are not events which are to be expected again soon, so that it is essential that we use the economic development board to provide this country with an adequate rate of economic growth. Then using the Atlantic development board, we can truly develop a sound industrial economic base and provide our people with a standard of living and equality of opportunity in line with people in the rest of Canada.

Mr. Coates: Mr. Chairman, it gives me a great deal of pleasure to have an opportunity of speaking on this resolution, which is of such great value and significance to the Atlantic provinces. Before I move in to my main remarks, I think I should make some comments on the statements made in this debate by the hon. member for Gloucester. He posed some questions with regard to a number of specific problems which faced him, both in relation to this board and to the government's policy as it applies to the Atlantic provinces. One of the questions he asked was what we had done in the past five and a half years. The hon. member has been in this house during that period, and far be it from me to say what he has been doing.

He has certainly been criticizing almost everything that the government has brought before this house during that period.

However, I think I should say to him that the first thing we did was to adopt a different attitude on the part of the federal government in dealing with the Atlantic provinces. We did not tell the people of that area that they should have one way tickets to some other part of Canada. We did not tell the people of that area that we should leave the coal in the ground.

An hon. Member: What did you do?

Mr. Coates: What we did was to provide a means of boosting the economy of that area to a degree that it had never reached previously. There is every indication, in every manner, that this is the way in which the people feel in that part of the country. I say to hon. members opposite that they are the people who should know that better than anybody else because they are the ones who have suffered materially through their neglect of that area. An hon. member asks what we did. May I say that we gave the provinces $100 million in special grants for a period of four years and we are now going to give them $175 million over the next five years. That is one of the measures we took. We talk about a power grid. Somebody says that Mr. Lesage put it forward. May I point out that the Liberal party put forward hospital insurance in 1919 but it took us to put it into effect.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): That statement, of course, is inaccurate.

Mr. Coates: We acted. They can talk as much as they wish about the power grid between the three maritime provinces. However, talk as they like we, the Conservative party in this country and the Conservative government in this country, put into effect the Atlantic Provinces Power Development Act.

Mr. Fisher: The Diefenbaker government.

Mr. Coates: It was the Diefenbaker government. He is still leader of the government and the leader of this country and I am proud of him.

I could spend hours in this house—and I do not think my hon. friends would enjoy it a bit—in talking about what we have done for the Atlantic provinces.

Mr. Robichaud: Why such a bill?

Mr. Coates: May I say to my hon. friend that if he will sit still and listen I will try and tell him why such a bill has been brought forward. We could fight here all day between these political parties about what they did and about what we did in the last 27½ years and in the end I think we would probably be no further ahead than we are now. What we have this resolution before this House of Commons for is in order to get some ideas on how we can improve the situation as it exists in the Atlantic provinces today. It is my hope that I shall be able to provide a few constructive ideas and that other hon. members who speak in this debate will be able to provide more of them. If we work together in this way it is my hope that we may be able tc create in our area the great industrial expansion which all our people desire.

Mr. Chairman, I think it would be right to say that Prime Minister John Diefenbaker has again kept faith with the Atlantic provinces. On April 18 of this year he stated in this chamber that serious consideration was being given to the establishment of an Atlantic development board. During the election campaign he confirmed this consideration in a positive way. Today we begin the debate that will see his promise become a reality.

With the establishment of this board we can accept the confident assurance that we have within our own grasp the tools that will allow us to keep pace with the giant strides presently being taken by the Canadian economy. There has been before this House of Commons since 1957 much legislation which has had a material effect on the lives of the citizens of the Atlantic provinces. However, no other single piece of legislation has had the inherent potential of the bill that will follow this resolution. With the establishment of the Atlantic development board maritimers will become the masters of their own destiny. This is a challenge which no member from the Atlantic provinces should take lightly. It is a challenge which no member should make light of. To do so will be to commit a disservice to our area, for all agree that we must have the benefit of this board in order to keep pace with the rest of Canada.

Recently the hon. member for Antigonish-Guysborough, when speaking to a group of high school students in Halifax, is reported to have warned them not to put too much faith in the Atlantic development board. What did he expect to gain from this type of statement, and to a group who in the near future will be the leaders in our area? Did he hope to perpetuate the gloom and doom philosophy that has been part of the Liberal party's program since I have been a member in this house? If so, what benefit are we in our area to derive from such a philosophy? How much better it would have been to indicate to these students how they might assist in making this board the success we must

all hope and expect it will be. From the debate on this legislation and from the lips of members from the Atlantic provinces must come ideas, enthusiasm and leadership. The legislation demands this type of approach; the board it will create demands it; and the members of that board must anticipate it. They must look to us to provide the initial ideas that could transform our area to one of health and vigour.

I was very pleased to see the Minister of National Revenue and the Minister of Forestry introduce this measure. He is a man who has provided outstanding leadership to our area throughout his life. He gave leadership to the present self-help approach to our problems on his election as premier of New Brunswick in 1952. Since that date we have seen the Atlantic premiers conference become an annual event of great significance. We have seen the establishment of the Atlantic provinces economic council, with the resultant benefits that have accrued to our area through their leadership. Now we see the minister guiding this legislation through the house. It is legislation which carries with it the hopes and aspirations of all in our area.

In order to assure the success of this board we must see to it that the ablest men in our area, regardless of their political affiliations, are appointed to it. We must see that they are presented at an early date with evidence that specific projects will have a long term beneficial effect on the economy of our area. We must hope and expect that the board will act quickly on those projects which have already had exhaustive investigations into their merits and demerits carried out. The board must move quickly in making the government aware of their recommendations and at that time we must move swiftly in seeing that the proper action is taken.

From a personal view, there are two specific projects which I consider merit early consideration by this house and by the board. The first is the Chignecto complex on which the minister has already made some comment. The second is the re-establishment of the Minas basin ferry service. The Chignecto complex does not demand the extensive investigation that might once have been required. The Chignecto canal committee has already had a comprehensive investigation carried out into the potential of the bay of Fundy tides, from an energy point of view. It is a study that demands the most intensive consideration and at the earliest date possible. With the development of this tidal power, one might well see the transformation of our area through a tremendous industrial expansion. This project has an annual energy potential of 5½ billion kilowatt hours. Estimates of mill rates run from 2.87 mills per kilowatt hour to 5.13 mills per kilowatt hour, depending on the interest rate and amortization. With this project we see the means by which we can accomplish the task before us. I might add that an integral part of this tidal development would be the construction of large thermal power plants. This would provide a much needed shot in the arm for the coal industry of our area. It is my view that we should expect an early report from the board on the feasibility of harnessing the tides. Certainly if a positive decision were brought down construction of the dam to harness the tides and construction of the thermal power plants should begin immediately.

The second project I feel could come before the board at an early date is the Minas basin ferry service. This is an important transportation facility that was available to the maritime provinces until 1940. At that time the ferry was removed from the area as a war measure and never returned. At the present time a great deal of information is available on the potential of this transportation link. The Stanfield government had a very exhaustive investigation carried out, and the only hindrance to its re-establishment has been the high cost of wharfage facilities. This link would provide a saving in mileage of as much as 115 miles to areas in the Annapolis valley and southwestern Nova Scotia. It is not difficult to imagine the great boost it would provide to the tourist industry, to agriculture and to our fisheries. There has been discussion of late on the possibility of obtaining a hovercraft. This craft would eliminate the heavy wharfage costs necessary for the ordinary type of facility if a scheduled service were to be provided.

There is another possibility associated with this transportation link between the Annapolis valley and Cumberland. It is the recommendation associated with the Chignecto complex that a dam be constructed to harness the waters of the Minas basin. This dam would be constructed where the ferry would operate. If the dam were recommended and could be used as a causeway as well, the need for the ferry service would be eliminated.

There are many projects related to every area of our economy which deserve consideration and action. It is up to us to see that they are brought to the board's attention. It is up to the board to see that they are dealt with swiftly. If the recommendation is positive, then the government must transform its recommendation into reality. If it is negative, we must immediately move on to another. There will be many projects submitted and

they will vary in their over-all effect. Certainly those with the greatest potential effect should be considered first. Let us work together to make this board what we feel it should be. Let us look forward to early results from our efforts.

Before resuming my seat, Mr. Chairman, I wish to pay tribute to Brigadier Michael Wardell. He has carried out a dedicated crusade to make the Atlantic development board a reality. His persistent guidance is exemplified by the fact that all four political parties during the last election campaign considered such a board essential as a cure for the ills of our area. He has been a visionary who, with the passage of this legislation, will see the initial step taken. Let us not fail in our quest to make the remainder of his dream as real as this initial step.

Mr. Brewin: Mr. Chairman, I have noticed that members of the house sometimes open their remarks by saying that they do not intend to prolong the debate and then they proceed to prolong it at some length. As far as I am concerned, I intend to speak briefly to this resolution. I do so, not because of my connection with the maritimes but in spite of my connection with the maritimes. If I may be pardoned a brief personal reference, in 1896 my grandfather, who had been prime minister of a maritime province, came up to sit on the treasury benches in this house, but since that date I must confess that before I was born my connection with the maritimes was broken.

The reason I wish to raise my voice on this resolution is that so far I have noticed that not a single person has spoken on the resolution from any corner of this house who comes from the central provinces, and I want to emphasize by speaking on the resolution that to my way of thinking it is of some importance that those of us who come from the central provinces should concern ourselves with the problems that are raised by this particular resolution. It seems to me that we in the central provinces should welcome this resolution and the legislation to follow because any development of the maritimes, or indeed any other region of Canada, must have the moral and financial support of all the people of Canada even if that involves, as it well may, sacrifices on the part of some parts of this country. As far as I am concerned, speaking as I do for a Toronto constituency I wish to say that if it is necessary to contemplate some temporary sacrifices in order to do the things that are required to meet the objectives of this legislation, we wish to do so.

It is well known, I think, that all of the parties in this house support the general principle of the resolution and will probably support the legislation, which we have not yet seen but which presumably carries it out. At the founding convention of our party we passed a resolution to which I should like to refer briefly in which we said that we would plan the development of renewed economic strength in those areas of our country which have not shared in Canada's growth. I think what we are referring to is perfectly obvious to our friends in the Atlantic region. Indeed, we know it to be a fact that the Atlantic region has not shared in Canada's growth. We then went on to say:

> New Democratic transportation policy will take into account the special circumstances of those areas, and wherever possible, government purchases will be channelled to them. Special attention will be given to a location of industry policy, similar to successful programs in Britain, Sweden and other countries. This policy will include tax concessions and other assistance to private industry, as well as public investment.
>
> A program of long range, basic public works, supported by federal grants, will be undertaken in the Atlantic region ... A capital projects commission will be established to co-ordinate this program.

Therefore, Mr. Chairman, although we have some reservations, as explained by the hon. member for Cape Breton South, we fully support the resolution. I should like to echo his words that we do not believe that further studies and research are what are necessary. We believe that any program that does not involve massive public works and public investment cannot deal with the problem.

I am reminded of the situation that existed in Great Britain between the two wars when there were depressed areas in south Wales, for example, and in the Yarrow region in the north of England, incidentally areas associated with coal mines, a supposedly declining industry. Those areas, where the ideas of private enterprise and planlessness governed, remained depressed, a constant source of unemployment and a source of personal tragedy for many years. After the war, when a new philosophy prevailed, through the location of industry and through other aggressive and active steps on the part of the government, those areas disappeared as distressed areas. Not only was it possible to put new industry and new life into them but it was even possible through active economic planning, substantial public investment and the location of industries to transform those areas and make them the part of the generally prosperous country which they are at the present time. I suggest that what is needed in the maritimes is the same sort of approach that solved this problem in the depressed areas of Great Britain.

When the Atlantic development board gets to work I hope its objective will be nothing less than to plan for full employment in that

area, as well as in the rest of Canada. Any lesser objective than that will, in my judgment, be a complete failure.

Mr. Chairman, there is one other aspect of the matter which I should like to mention to the committee, and that is the feeling that the picture is bound to change in the maritimes because of the new trade patterns that will emerge from the European economic community and with the institution of President Kennedy's plans for freer trade. It seems to me that the existence of this board prepared to take advantage of new opportunities in trade cannot help but transform the economic situation of that area of Canada.

I shall conclude my remarks, Mr. Chairman, by saying that I do not believe the people from the Atlantic provinces, come to us, as the parliament of Canada, as mendicants seeking some special favours or benefits. I think they come to us saying, we have had a problem since confederation; we ask you to take it seriously. We ask you, if necessary, to make sacrifices to deal with it. So far as I am concerned, in this party we accept that responsibility and we will do all that we can to make sure this problem is dealt with. We welcome this legislation and look forward to its implementation and to all the other things the hon. member for Cape Breton South has pointed out as essential to a real solution.

Mr. McGrath: I am very pleased, Mr. Chairman, to lend a few words of support to this resolution, particularly after having sat here and listened to the political speech delivered by the hon. member for Gloucester. He prefaced his remarks by saying his party only intended to put up one speaker. In other words, he hoped the rest of us would be just as big about this and we would get the resolution through. What he forgot to say was: I am going to be big enough to speak on this resolution, politics notwithstanding. But he could not do that. He then went on to give us a half hour political speech.

Mr. Robichaud: What about the minister?

Mr. McGrath: If my hon. friend wishes to make a contribution to this debate we would be glad to hear him, if his turn comes.

This is just another step in a series of steps taken by this government since 1957 when we came into office to remedy, with tangible action, the years of neglect, the lean years of Liberal administration.

An hon. Member: No political speeches.

Mr. McGrath: I am speaking in the same vein as my hon. friend from Gloucester who took the time of this house for 30 minutes. The only difference is, Mr. Chairman, that my words are factual.

[Mr. Brewin.]

The hon. member in his speech referred at great length to what should be done, and indeed he referred to the number of times during the last several years that hon. members in the opposition had advocated such a board as this resolution envisages. Apparently to look back beyond six years, in the hon. gentleman's estimation, is to go back into ancient history. Indeed, it should be ancient history if it is to be to their advantage because they would have us forget, as the people of the Atlantic provinces have not forgotten, the years and years during which the pleas of the Atlantic provinces fell on deaf ears. I am sure the hon. member for Bonavista-Twillingate is aware of the fact that as late as the year 1955 the premier of Newfoundland actually threatened to lead his province out of confederation rather than continue to tolerate the second class treatment that was being handed out by the government in Ottawa, of which my hon. friend was a member. We did not hear any comments from the hon. member for Bonavista-Twillingate at that time, nor did we hear any comments from the hon. member for Gloucester because they knew when to keep quiet.

In order to correct some of the inaccuracies left on the record by my hon. friend, I should like to refer briefly to the tremendous record of this administration, a record which was referred to in the *Atlantic Advocate* as deserving of the support of the Atlantic provinces. I should like to refer to that record particularly as it applies to the province of Newfoundland. Mind you, Mr. Chairman, this is a province which is a little behind the three maritime provinces which, as my hon. friend mentioned, were lagging behind the other provinces.

When this government came into office in 1957, the grants to the province of Newfoundland, including conditional and unconditional grants, amounted to approximately $25 million a year. Five years later, Mr. Chairman, those same grants had been increased to almost $70 million a year. Indeed, the increases were so impressive that the premier of Newfoundland was forced to admit it was time for a change in Ottawa and he was glad the government had changed in 1957.

My hon. friend had very little to say when asked to point his finger to one single project the Liberals had implemented to improve the lot of the Atlantic provinces. All that he could refer to was camp Gagetown, a national defence project.

Mr. Pickersgill: And the Canso causeway, he mentioned that.

Mr. McGrath: Perhaps we are going to hear from my hon. friend later in the debate. He has had very little to say because the record of that government in respect of the Atlantic provinces is well known in the Atlantic provinces, as my hon. friend is well aware and as he found out when he foresook his own constituency last spring to campaign in Prince Edward Island. We know what happened in Prince Edward Island. We know what happened when he campaigned in Nova Scotia.

An hon. Member: What happened in Newfoundland?

Mr. McGrath: As a matter of fact, when the next election rolls around I hope my hon. friend will carry on the same activities in Prince Edward Island and Nova Scotia. Let us hope we have the same results, and I think we will.

Mr. Robichaud: You mean double our representation in Nova Scotia?

Mr. McGrath: It seems to me to be interesting, Mr. Chairman, that in an area which lags behind the rest of Canada so far as development is concerned and which, like other areas in Canada, suffers from seasonal unemployment and perhaps to a greater degree, nothing was done by my hon. friends opposite in the area of vocational training. Indeed, it was not until this government came into office and saw the great need in Canada, particularly in areas like the Atlantic provinces, for vocational training that anything was done. For example under the policy of the Liberals, if you could call it that, they did nothing to encourage vocational training. Indeed, they tried to discourage it. It was not until this government put some teeth in the legislation and made the federal contribution 75 per cent that it was possible for the province of Newfoundland and other Atlantic inces to implement a comprehensive program of vocational training.

The Chairman: Order. I am sorry to interrupt the parliamentary secretary. However, I should remind him that this is not a throne speech debate, but rather consideration of a resolution which has to do with the establishment of an Atlantic development board. I realize that the wording which follows tends to permit a rather wide scope for debate, but I do feel I would be straining the rule of relevancy if I allowed the parliamentary secretary to continue with the comments he has just made. I would ask him to try to come back more specifically to the point under discussion.

Mr. Pickersgill: Mr. Chairman, on the point of order you have raised, the hon. gentleman has obviously spent hours and days and weeks preparing this speech. He does not take up the time of the house very often, and I think we should extend to him the widest possible tolerance, notwithstanding the fact that he does not seem to know what the resolution is about.

Mr. McGrath: Mr. Chairman, I want to thank my hon. friend from Bonavista-Twillingate for his charitable remarks, but unlike some of his colleagues, what I do have to say is my own and it was not farmed out from Messrs. Kent and Lamontagne.

Mr. Robichaud: Who wrote your speech?

Mr. McGrath: As a matter of fact, Mr. Chairman, if the hon. gentleman who purports to be the senior spokesman for the Atlantic provinces would contain himself, I would remind him that from 1953 to 1957 when he was supposedly the next prime minister of Canada; he was the great man, the senior statesman for the Atlantic provinces, the great friend of Premier Smallwood. What did he do for the province that so kindly and charitably adopted him? He went across Canada making speeches about second class Canadians; that is all he could do, Mr. Chairman.

Mr. Pickersgill: Would the hon. gentleman like me to answer his question?

Mr. McGrath: In later years the best he has been able to do is fill the pages of *Hansard* with irresponsible remarks. I will conclude my remarks at second reading. There is one thing to which I should like to refer before I resume my seat, an editorial which appeared in the *Atlantic Advocate* of June, 1962.

Mr. Robichaud: Who wrote it?

Mr. McGrath: Mr. Chairman, this magazine is probably not greeted too favourably by hon. gentlemen opposite because it truly represents the thoughts and feelings of the Atlantic provinces. I quote from page 11:

> Prime Minister Diefenbaker has announced his new policy for the Atlantic provinces in words which have thrilled the region. He has announced his government's decision to establish, under federal authority, an Atlantic development board.

Then the article goes on to say:

> The Diefenbaker government has given to the Atlantic provinces more by far than has any government of any party at any time.

Mr. Pickersgill: Mr. Chairman, I am rising on a point of order. Is there not a rule in the house against reading speeches that have been written by someone sitting in the gallery?

Mr. Clancy: On a point of order, Mr. Chairman, we have had so much interruption by the hon. member for Gloucester—

Mr. Robichaud: Name him.

The Chairman: Order. There was no point of order, as is apparent to the hon. member who raised it. The parliamentary secretary has the floor, and I would ask hon. members to co-operate, because I cannot hear.

Mr. McGrath: Obviously, Mr. Chairman,—

Mr. Robichaud: Give us the name of the person who wrote that.

Mr. McGrath: —hon. gentlemen opposite are just not prepared to listen to the facts. They did nothing for so long, that when something tangible is done, all they can do is laugh and ridicule. I submit to you, Mr. Chairman, that this resolution is the most important measure ever to be introduced in this house with respect to the Atlantic provinces, and it is just the culmination of the efforts of this government over the years to do for the Atlantic provinces what the Liberals failed to do during the 22 years of neglect when they were in office.

Mr. Douglas: Mr. Chairman, I had not intended taking any part in the discussion of this resolution, but after listening to some of the government supporters speaking on it I thought I had better find out if they were talking about the same resolution that was being discussed by this committee. I listened to their eloquent exaggerations as to what this resolution will do, statements that this is the greatest piece of legislation ever passed in the interests of the maritimes, the statement that this is going to make the maritimers masters of their own destiny, and so on, and thought it might be a good thing if we just came back to the actual facts of this resolution before the debate is wound up.

Let me say, in the first place, that I think hon. members from all other parts of Canada will welcome the idea of having an Atlantic development board. I would like to compliment the minister who introduced the resolution. I know all hon. members of the house would want to say to him that neither he, the government nor anyone else need ever apologize for bringing in special legislation for this area of Canada. Because I think we agree with him when he says that this area deserves special consideration and demands special action. This is the case because the Atlantic provinces have had for many years a lower per capita income than the rest of Canada, a higher rate of unemployment than any other part of Canada—certainly higher than the national average—and they have had particular problems which have brought with them difficulties both social and economic.

I have been rather amused all day listening to the Liberal and Conservative members each trying to lay the blame on the other party for the conditions in the Atlantic provinces. I certainly do not intend to get into this game of trying to prove that it is the Conservatives' fault or the Liberals' fault that conditions are as they are in the Atlantic provinces. All I want to say is that the conditions are there, that they are appalling, that both the old line parties which have governed Canada since 1867 must accept responsibility for this state of affairs, that there is not much use spending time in attaching blame; the problem now is to get on with the job of trying to improve the situation. It has been more than a matter of a lack of government policy.

We have had in Canada since 1867 national policies which have deliberately developed a great industrial heartland in central Canada. That policy, by means of transportation, tariffs and investment, has used western Canada and the Atlantic provinces to supply raw materials and fuel, and on the other hand has made them the market place for the products of central Canada. There is a price you have to pay for such a policy, and certainly the Atlantic provinces, and at certain times western Canada, have paid the price. Therefore, no one need apologize for saying that in those circumstances in addition to a national economic development board we need an Atlantic development board to pay particular attention to the problems of the Atlantic provinces.

I rose simply for the purpose of saying that I think supporters of the government would have been much fairer to this committee and to this country as well as to the eastern provinces of Canada if, instead of those purple passages about this being the magna carta of the Atlantic provinces they had simply said what was the truth, namely that they were going to set up a development board for the Atlantic provinces which would be an advisory board whose function apparently, would be to collect data, to look into the possibility of certain economic projects and to make recommendations. In other words, it would be a regional version of the national economic development board.

This resolution and the bill which will follow can be for the Atlantic provinces either invaluable or valueless, and what is done will depend entirely on the extent to which the recommendations of this board are implemented. Actually, much of its work has already been done by the Atlantic provinces economic council. APEC has produced reports on economic projects for the Atlantic provinces which are broad in scope and excellent in concept. So in actual fact

the board which it is now proposed to establish will not have to do very much work. Things like the Chignecto canal, the Fundy hydro power development and at least half a dozen cornerstone industries have been fully investigated by the Atlantic economic council. They have collected a wealth of data, and if all this board is going to do is mull over the same material its work will be a waste of time.

I personally would have preferred to see a department of government set up rather than an advisory board, because that is what this is. I would like to see a department charged for the present with the task of promoting economic development in the eastern provinces and raising the living standards there—a department with a minister, a deputy minister and staff. When the provinces had been brought up to the national standard, the department could be disbanded. Such a department which would have power and, above all, an allocation of funds and a clearly defined purpose in mind, might go far toward accomplishing this purpose. So let us not forget that this proposed board will be an advisory board and that if its recommendations do not receive any more attention than some of the recommendations of the various boards and commissions which have been set up during recent years, the resolution before us is not worth the paper it is printed on.

In the second place, the effectiveness of this board will depend on whether or not there is an Atlantic development fund set up from which the board can draw the funds necessary to implement its program. We do not need more economic surveys; we do not need more economic analyses; we do not need more paper plans. We have reached the point where money, and very large sums of money, are needed. The hon. member for Gloucester talked about a billion dollars over the next 10 years. A billion dollars over the next 10 years would not begin in my humble opinion to cope with the problem of economic development in the four Atlantic provinces.

An hon. Member: How much?

Mr. Douglas: Much larger sums than that will be needed. As the hon. member for Red Deer pointed out, we are now spending $150 million a year on social welfare. I would say that a billion dollars over the next five years would be needed in the Atlantic provinces. If the expenditure of that money helps to provide full employment and takes people off the social welfare roll and off unemployment insurance, it will be the best investment the people of Canada ever made. So let us not begrudge the expenditure of money like this. When I hear members of the government side say "How much?" and "Where are you going to get it?" this makes me suspicious as to how much money will be behind this economic development board. If this is going to be just another board to cut out paper dolls and make coloured pictures and charts, I, for one, will be very disappointed. I want to tell the hon. member to my left that if, proportionately, the Atlantic provinces could get as much for industrial development as the province with which I was associated I think they would be very happy to see the government putting up that much money.

When the bill comes down, the sponsor of this resolution may be able to give us some information as to the machinery which will be set up for implementing the recommendations of this new board. He may be able to tell us what sums of money over what period of time will be available in an Atlantic economic development fund. I hope he will also be able to tell us whether or not the major economic groups in the Atlantic provinces will be represented on this board—whether business, labour, primary producers and consumers as well as the provincial governments will be represented, so that the board may be truly representative not only of the four provinces concerned but of the various economic outlooks involved.

We in our group will support this resolution but we will support it in the hope that all the good things which have been placed in the store window this afternoon will not prove to be just window dressing, but that when the bill comes down and when we go into the store there will be some goods on the shelf.

Resolution reported and concurred in.

Mr. Flemming (Victoria-Carleton) thereupon moved for leave to introduce Bill No. C-94, for the establishment of an Atlantic development board.

Motion agreed to and bill read the first time.

NATIONAL PRODUCTIVITY COUNCIL ACT

AMENDMENT TO INCREASE MEMBERSHIP, ETC.

Hon. George H. Hees (Minister of Trade and Commerce) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the National Productivity Council Act, to provide for the appointment of three additional members thereof and for the payment of certain expenses of such members, to provide further for the payment of all expenses of the council out of moneys appropriated by parliament for the purpose and to provide further for other related and incidental matters.

Motion agreed to and the house went into committee, Mr. Paul in the chair.

Mr. Hees: Mr. Chairman, the amendments to the National Productivity Council Act proposed by this resolution provide for the following changes. The membership of the council will be increased by three members, who will be additional representatives of the fields of industry and commerce, organized labour, agriculture and other primary industries. This will give the council a total membership of 28 persons. Provision will be made for the appointment of a vice chairman of the council who will assist the chairman and act in his absence. The staff of the council will be brought under the Government Employees Compensation Act. The council's expenses will be paid from moneys appropriated by parliament in the light of the council's programs instead of through a fixed annual amount established in the act as is at present the case.

The purpose of these amendments is to assist the council in carrying out this greatly expanded program. These activities have been developed in consultation with leaders of business, organized labour, education and provincial bodies. The new provisions should greatly strengthen the ability of the council to implement its new program, which takes on added importance in view of the proposed legislation to establish a national economic development board. The council and the development board will complement each other's activities, each lending support to the endeavours of the other. The activities of the development board will, however, emphasize and underline the need for effective measures on a wide front to help Canadian industry to be as competitive as possible. The productivity council will be concerned in large measure with this very important task.

Now, Mr. Chairman, during the past year and a half the council has planned and undertaken a very comprehensive program. All of these activities are intended to help Canadian businessmen to compete more effectively both in the home and in world markets. I should like briefly to mention some of the key features of this program, because I believe that businessmen, labour leaders and the general public should know more about the useful work being carried out by the council. In collaboration with the universities, the council is sponsoring courses on work study. In addition seminars, conferences, lectures, and discussion groups have been systematically organized to promote work study in industrial centres across Canada. The council is playing an important role in encouraging the development of improved management techniques, and the use of training and retraining programs. Extensive work is being undertaken in the field of human relations in industry. An examination of the extent of industrial research in certain key industries is under way. Careful consideration is being given to ways of encouraging more research. Information on means of achieving greater productivity is being prepared by the council staff and made available to labour, management, educational institutions, and other groups interested in this vital task. In order to reach out to the grass roots of business, provincial and local productivity councils and committees have been organized across Canada.

The record, Mr. Chairman, I believe, is indeed impressive, and I would like to emphasize that I am mentioning only the highlights. The details are available for anyone who wishes to know them. I would encourage business and labour leaders to become familiar with them. Despite the tremendous job which the national productivity council is doing, the council cannot do it alone—it needs labour-management co-operation as well, and the help of Canadian universities is also most important. Labour and management are co-operating, and Canadian universities are also being very helpful.

The council has already forged some close links with our universities in its expanding program to foster and promote productivity. One of the strongest links is through its labour-management co-operation program. A series of national joint labour-management seminars is being sponsored by the council at Canadian universities. The first of these seminars was held last March, at Queen's university in Kingston. A second was held at Dalhousie University in Halifax in September. A third has already been planning at Saskatchewan university for next January, and plans are under way to hold a fourth in Quebec next spring. At these seminars, for the first time in Canada, top labour and management leaders are brought together to discuss their problems frankly with each other, away from the bargaining table, in a neutral university atmosphere. They talk together, eat together, and live together at the university. They learn to know each other better. Many of them, in fact, have been amazed to find that they are really not so far apart after all. This is a great contribution towards creating a better climate of labour-management relations by Canadian universities working with the national productivity council.

The success of these conferences can be attributed to the high calibre of the people attending and to the national stature and prominence of the speakers. The quality and usefulness of these conferences is typified by the program carried out at the Halifax meeting, and I think hon. members would be

interested in hearing something about it. At the plenary sessions of this meeting, the speakers included Professor W. Y. Smith, head of the department of economics and political science at the University of New Brunswick, and past chairman of the Atlantic provinces economic council, who spoke on the economic facts and their implications. Mr. Herbert H. Lank, president of Du Pont of Canada Limited, and Mr. William J. Smith, president of the Canadian brotherhood of railway, transport and general workers, discussed the subject of the problems of economic growth and productivity from the viewpoint of management and labour. Mr. Walter E. Duffett, dominion statistician, and Dr. S. A. Goldberg, assistant dominion statistician, gave talks on measuring productivity. Judge A. H. McKinnon of the province of Nova Scotia, chairman of the fact finding body on labour legislation, spoke on seeking a formula for industrial peace and collaboration. Also, during the plenary sessions, Mr. D. W. Ambridge, president of the Abitibi Power and Paper Company Limited, and Mr. J. A. D'Aoust, vice president and regional director of united papermakers and paperworkers, discussed labour-management co-operation at the industry and plant level.

One very important session at the Halifax meeting was the panel discussion on the findings of the national productivity council's mission to Europe on labour-management-government co-operation in European countries. Taking part in this discussion were Mr. R. V. Yohe, president of B. F. Goodrich Canada Limited; Mr. Jean Marchand, president, confederation of national trade unions; and Dr. G. V. Haythorne, deputy minister of labour, who is also a member of the national productivity council.

The announcement in the throne speech that a national economic development board would be established followed on the successful completion of the mission to Europe sponsored by the national productivity council. The members of the mission were drawn from the ranks of labour, management, education, and government. Organized labour was represented by Mr. William Dodge, executive vice president of the confederation of national trade unions. Mr. John D. Carroll, international representative and assistant to the Canadian vice president, international brotherhood of boilermakers, iron shipbuilders, blacksmiths, forgers and helpers; and Mr. Larry Sefton, director, district No. 6, united steelworkers of America. Management was represented by Mr. J. Herbert Smith, president of the Canadian General Electric Company Limited; Mr. Robert B. Yohe, president of B. F. Goodrich Canada Limited; and Mr. J. Claude Hebert, president, Transparent Paper Products Ltd.; Dr. G. Edward Hall, president of the University of Western Ontario, represented educational institutions.

In each of the countries visited, the members of the mission held detailed discussions with leading representatives of national labour and management organizations; with government economic agencies; and with joint labour-management-government consultative bodies.

In sending this mission to Europe, the council believed that it was useful and desirable to have a better knowledge of the experience of other countries in undertaking economic activities intended to foster employment, and to achieve economic advancement. The mission visited Sweden, the Netherlands, West Germany, France, Belgium, and England, in investigating these matters. Following its return to Canada, its members prepared and published a very informative and useful report on European organizations, both governmental and private, which work toward economic expansion.

I regard the findings of this mission as being of the utmost importance. To a very large extent they confirm what this government has been attempting to do in fostering closer relations between labour, management and government. There is little doubt that labour, management and government co-operation in Europe has contributed greatly to the general prosperity in that area. It would be misleading, of course, to attribute the prosperity of Europe solely to this co-operation because many other factors have also contributed. Nevertheless, without close co-operation between the three key sectors of the economies of European countries, it is very doubtful that they would have achieved the amount of progress which has been possible.

While the policies and activities being implemented by the various countries visited by the mission showed differences, each had the same basic objective. In this regard the mission was impressed in each country with the spirit of co-operation which exists between labour, management and government, and the way in which they worked together in the national interest. There is little doubt that this co-operation has greatly contributed to the general prosperity of Europe. The determination of all key groups in each of these countries to achieve high levels of employment, economic growth, rising standards of living, and a healthy trading and balance of payments position, has made possible the recovery of Europe and the very impressive economic expansion in that area.

In view of the importance of having full labour participation in the productivity work, as evident by European experience, it is proposed to add to the council an additional

person from organized labour. In this regard, we are very hopeful that the Canadian Labour Congress will soon see its way clear to participate in this important work. We would welcome having Mr. Claude Jodoin rejoin the council, or having other top calibre members of the congress sit upon the council. If Canada is to support a sustained rate of economic growth it is essential that we too achieve the spirit of co-operation which is so apparent in key countries of Europe. Labour, management and government must pull together, each making a contribution to common objectives which are in the interests of all Canadians.

There is a growing realization in Canada that Canadians must produce more in Canada, and must purchase more domestic goods. We could not continue indefinitely to have the deficit in our current balance of payments which has prevailed since the end of the last world war. If, however, we are to produce and sell more in Canada, Canadian products must be competitive with goods made in other countries. Canadian manufacturers must produce the types of goods which buyers find it is in their interest to purchase, those which are efficiently produced, and are of competitive quality, design and price. In achieving these objectives, the national productivity council has a major role to play. If the economy is to grow and expand, the council must initiate the types of activities and programs which will help Canadian producers to be competitive at home and in export markets. The council has made an excellent start in focusing the attention of labour and management on these activities, and in bringing them together to exert a co-operative effort. Now that the council's initial period of planning and organization is behind it, its activities are having beneficial effects on an increasing scale.

Realizing the vital role which it has to play in stimulating Canada's growth, the council has been preparing its program for the future. Additional labour-management seminars are being planned in co-operation with the universities. Steps are being taken to organize labour-management forums on a systematic basis. The program of training courses in work study will be expanded, so that this valuable instruction will be available at universities in various regions of Canada. More work is being initiated with a view to encouraging greater industrial research. As the provincial and area councils and committees become increasingly better organized, systematic programs of material will be fed out to them to be used as the basis for local productivity activities. Studies will be undertaken of important activities in the fields of economics and the humanities which have a direct bearing on productivity.

The program is both vital and ambitious, and I feel sure that every Canadian will support it. I hope that it will receive the wholehearted endorsement and support of this House of Commons, so that the excellent work which was started a year and a half ago may proceed for the benefit of the country as a whole.

Mr. Munro: Mr. Chairman, speaking for this party may I say it has been interesting to listen to some of the observations of the Minister of Trade and Commerce with regard to this resolution. In essence, as I read and understand the resolution it recommends the addition of three members to the national productivity council. The minister, perhaps in an endeavour to build this up into some sort of major piece of legislation, delivered a lengthy speech on the merits of the council as a whole. Actually the resolution involves only a minor legislative change to alter the constitution of the council numerically.

From listening to the minister's remarks it would seem that he and the government apparently do not wish to deal with the two most serious aspects of the council and the two that have been most severely criticized throughout the country. One concerns labour representation on the council. One prominent Canadian citizen has resigned because he objected to the manner of his appointment, and the minister is well aware of this. Yet he has advised the house of no measure that he plans to take under these amendments to cure this obvious defect. Therefore any hope the minister may have that Mr. Claude Jodoin may return would seem, in view of Mr. Jodoin's repeated statements, forlorn indeed. We can see that the minister has obviously taken no constructive step to cure this defect.

The second objection that Mr. Jodoin raised when he resigned, which is in fact an objection of the council as a whole, is that the base of the council is not broad enough. Mr. Jodoin stated so at the time he resigned. In that connection I should like to read the statement of the leader of this party at the time of Mr. Jodoin's resignation. This is what the Leader of the Opposition said with reference to Mr. Jodoin:

> I can understand the position he has taken because, when the national productivity council was set up, we in the Liberal opposition pointed out in parliament that it was too limited in scope and that its mandate did not go far enough. We argued that we should have not a productivity council but an economic advisory council which could do more for Canada than the productivity council would be able to do. Apparently Mr. Jodoin now believes that that is the case and he has resigned because the productivity council does not

go far enough; because we have not got the kind of economic advisory council that we Liberals have been advocating now for a good many years.

In the minister's speech he did not deal with this second aspect of the problem, namely, the broadening of the scope of the national productivity council. I might indicate to the minister that from the first annual report of the national productivity council it would appear to be the feeling of the council itself that its scope is not wide enough. I refer to page 10 of the first annual report where I find the following:

> Although the council's terms of reference permit consideration of broader economic and social aspects of productivity improvement, the council decided that it would direct its work in the initial stages—

They qualify this and I would emphasize it.

> —of program development to those specific areas of work set forth in the National Productivity Act. These include the development of new activities to assist in the improvement of production and distribution methods, the expansion and application of research to industry, the development of better human and industrial relations, the wider application of progressive management practices, and the strengthening of the skills of the work force through training and retraining.

Then they go on on page 11 to indicate that they now intend to embark on a wider scope of activity. Under their terms of reference, there may be some question as to their powers to do this. The minister has not indicated to the house that he is prepared to cope with the problem. I read this paragraph from page 11 of their report:

> In the coming year the council plans to move ahead in the field of economic and social research. The council feels there is a need for more study of the social and economic factors related to productivity.

In the annual report the council goes on to indicate that it plans to engage in the study of programs designed to promote economic growth, which would lead one to think that they plan to conduct a study almost similar to that set out in the terms of reference of the economic development board announced in the house a few days ago. In my view this is a probable basis of serious conflict between the two boards, and those ministers of the government who have been speaking about the national economic development board and the national productivity council have not indicated in any of their introductory speeches that they have endeavoured to resolve this obvious and apparent conflict.

I should also like to deal with the report of the mission to Europe to which the minister referred. He indicated that as a result of the studies of this mission, their visit to Europe and their activities in the country as a whole there was an increasing indication of management-labour co-operation. I would point out to the minister that on page 9 of the report of the mission to Europe quite the opposite view is expressed. I refer to item 38 under the heading "Recommendation". It reads as follows:

> The members of the mission feel that the foregoing identifies certain serious gaps in government-management-labour consultation and co-operation on economic and social problems in Canada.

This is the statement of the mission itself and I would draw it to the minister's attention because it would appear to be quite the reverse of what he stated in his opening remarks in introducing this resolution.

I also wish to refer to other remarks of the minister in introducing the resolution. He dealt for a minute or two with the basis of the whole resolution, namely the increase in the number of members of the council and why this was needed without going into specific details other than perhaps to indicate, and I am even inferring this, that he intended to increase labour representation. That is all he dealt with before proceeding to talk about the mission and the activities of the national productivity council generally. Most of his speech was like a telephone directory. It set out various persons and their titles and the fact that they attended certain conferences and made certain speeches but he did not even go into the content of the more important speeches made. I do not think this is entirely satisfactory. I think the minister could have pointed out, especially as the representative of a party that seems to abhor the word "planning" so much, that throughout the whole report of the mission sponsored by the national productivity council there is talk about planning. I would refer to page 3 of their report where the second paragraph, under the heading "Foreword", reads as follows:

> The awareness of this interdependence in Canada has created a public opinion that expects the government systematically to take such actions as will support the economy. There is not a uniformity of public opinion, however, as regards the scope of such government activity. The least required is that timely measures be taken to support effectively natural tendencies to growth and to check recessions. In Europe, public opinion demands a genuine broad policy of economic and social development.

I would also refer to another paragraph of the report on page 3 in which they refer to the six countries they visited.

> Nevertheless, each of the six countries visited has undertaken planning, formal or otherwise, along the above lines. In all cases, the success of planning rests to an important extent on the voluntary support of labour and management and on their enthusiastic participation in the planning process.

I should like to quote one further paragraph because I think it is important. It is on page 4 under the heading "Purposes of the

Mission". They refer to the provisions of the National Productivity Council Act and go on to say:

> The council has an important role to play in developing measures which will make a constructive contribution "... to provide expanding opportunities for increased employment and trade and rising standards of living ...".

On page 7 of that report there is a reference to the necessity for planning. Item 23 reads as follows:

> The degree to which the countries visited plan their economic development varies greatly. It ranges from the French program of planning in relatively great detail over an extended period of years to the German system which leaves the market forces as the main guide to development.
>
> All countries visited accept the necessity of some form of planning.

Now, I shall not go through all the other paragraphs in the report of this mission other than to point out that this council has indicated to the government in the report the need for planning. It has also recommended and advised the government that something must be done about the serious gap between management, labour and government consultation and co-operation in connection with providing Canada with the kind of plan which is necessary to bring us out of our economic doldrum. This government has not indicated that it intends to do anything about these recommendations under either the National Productivity Council Act or the economic development board.

I should like to point out a couple of other important subjects which I think should be dealt with, and the first is the question of overlapping. I believe that this is becoming increasingly serious, but I do not believe any spokesman for the government has indicated any constructive proposal which would clearly define the responsibilities of all these boards. The terms of reference of the national economic development board, as set out by the Minister of Finance, indicate that it plans to make proposals that cut across the whole range of financial and monetary policy and make constructive recommendations of a long range nature to the government. Almost identical terms of reference are set out for the national productivity council, at least the way the national productivity council itself interprets those terms of reference. This national productivity council has given notice to this government it intends to go into that very area during the forthcoming year. This afternoon we heard about the Atlantic development board which is presumably going into identical studies as the two other boards that have been set up, except that the work of this board will apply to a particular region. We have the national research council whose terms of reference closely approach the terms of reference of all three boards. We have two programs under the defence research board. We have the Vocational Training Assistance Act under the Minister of Labour and the terms of reference of that legislation come well within those of the national productivity council and of these boards.

Presumably, if one listens to the comments coming from spokesmen for the government, all these bodies are to operate independently. Hon. members make general statements to the effect that it is hoped they will complement each other. However, they do not advise the Canadian public or the members of this house in a detailed way as to how all these various programs and boards plan to integrate their activities. There are so many boards now that I have even omitted one. As I look at the Minister of Labour, I recall he is recommending we establish a manpower adjustment board under the new legislation he plans to introduce. I believe the terms of reference of this body would fall within the terms of reference of not only the national economic development board but of this national productivity council.

I believe the government has an obligation to explain how they plan to avoid the collapse of this whole program for these boards in one hopeless mess of confusion which will bring further discredit to this country and which will probably mean our legislative program is again the laughing stock of the world, as has happened in connection with so many of the proposals of this government. When these various measures are discussed in the committee, the government should show in a detailed fashion how all the activities of these boards are to be integrated. This should be shown to the satisfaction of the personnel of the boards themselves and to the satisfaction of the Canadian people, so that the people will realize some constructive proposals will issue forth.

The Canadian public are not going to be satisfied with just a barebones explanation offered by this government for setting up a multiplicity of boards. The Canadian people and the members of this house want to know in a concrete way how the government plans these boards should operate so they will be co-operating. I think probably the most serious omission from the minister's speech when he introduced this amendment to the National Productivity Council Act was the omission of the word "planning". The productivity council dealt with this thoroughly, but the minister did not choose to mention it, did not choose to mention that he hoped the goals of this council would be the same as the goals of similar councils in western Europe and in other democratic nations that

have adopted these councils in the past. There should be a detailed plan of the economic goals for Canada that would be worked out by this council.

Apparently the government does not want that. Apparently the government is staying clear of that. If that be the case, then any concrete advantages that the efforts of this council may render the Canadian people are almost negligible because that is the whole purpose of the activities of this productivity council. In conclusion, I would say that the minister's comments indicate that the government has not dealt with the two main serious flaws in this legislation. This is the thing that has bothered the national productivity council all along. I refer to the terms of reference. Mr. Claude Jodoin resigned over that and, as I pointed out, the members of the council are not satisfied, as is indicated in the annual report. They want the terms of reference broadened so they can go into the economic measures necessary to increase productivity in a more comprehensive fashion. The government has not dealt with Mr. Jodoin's objection relating to the manner of representation, the manner of appointment. Until the minister is prepared to deal with all these problems, all we can say is this is just another board this government has set up to indicate that they plan to do something for the Canadian economy in the cheapest way possible, without going to work and developing long range policies of a concrete nature which are so badly needed.

Mr. Thompson: Mr. Chairman, one of the lessons I learned out of my African experience relates to a condition caused by an organism known as taenia solium. If one dose would not take care of it, take a half dozen. This evening, I could not help but think that is just what is happening here in this house. Certainly we have been witnessing a great proliferation of government boards. It was interesting, however, to hear the Minister of Trade and Commerce speak about what a board has accomplished rather than to hear reference to what it is hoped a board will do.

I believe one board which has been set up by the government which has amply justified its existence is the national productivity council. I believe that the outline of some of the activities which have been carried on with a very meagre budget further confirms this conviction. The problem comes back to mind again: If this is what the national productivity council has done and is going to do, what in the world is going to be left for the national economic development board to do? Obviously they are going to overlap in many, many places. However, it is a matter of some encouragement to note the remarks of the minister, that there is going to be an overlapping of the membership structure of these boards. I trust that if this is going to be the pattern of the government it will soon mean the complete integration of the two boards. Certainly this is the only way either of them is going to be able to function effectively without getting in the other's way. Perhaps the greatest danger of overlapping of responsibilities is the fact that too often one board nullifies the potential objectives of the other. However, Mr. Chairman, I trust that with the appointment of these three additional members the way is being laid for these objectives to be achieved.

I believe it is our responsibility to give complete support to this resolution. I note with some satisfaction that the three additional members represent three very important aspects of our economy. I think the key to proper planning is not simply the laying down of some master plan from on top, but making it possible for people—this includes industry, labour and all aspects of organized activity and society—to co-operate and work with each other. We very often hear hon. members speak about the advantages of planning in Sweden, the Netherlands, West Germany or some other European countries. I do not think this has been accomplished because they have some super, master plan; it is simply because they have been able to get management and labour to co-operate with each other and with government in such a way as to enable them to make the progress which they obviously have made. They have done this simply by working out these problems in the very way the minister indicated some of the activities of the national productivity council have been carried on during the past year; that is, legitimate, grass roots planning. That is a different thing, though, than planning by a few sitting up at the top.

I think another very commendable aspect that has been brought to our attention this evening is that the work of the national productivity council is not going to be dependant upon a fixed budget passed on to them as their operating financial base. Any money invested in an organization such as the national productivity council as it performs its legitimate function is certainly the best kind of investment the government can make, and I think the suggestion that has been made will remove that bottleneck from the program and activities of the N.P.C. I believe this is good. The minister briefly outlined this evening some of the key features of the national productivity council. Again, I see a very definite overlapping with the summarized terms of reference, at least, of the national economic development board. I think all these points the minister covered are good. I was

particularly impressed with the report of the European work study group. However, none of these things is of any use unless it actually produces the action that will reach through to the objectives that are being talked about.

Thus, Mr. Chairman, just briefly stating our thinking in regard to this particular resolution, I would again draw to the attention of the committee the fact that we have several obvious problems as they relate to the objectives of the national productivity council and the national economic development board. We are the greatest importing nation on earth in that our per capita imports are nearly triple those of our nearest competitor in this respect. I think what we must do is this. The government must give responsible assistance in solving this problem. We must produce here in Canada many of those things which today we are importing from abroad. This will never be done in a period of austerity. If there is not capital, on one hand, available to do this—and this is a very critical problem this winter; it affects the question of unemployment and the desired growth rate which we want to see for our economy—then we cannot solve the problem. It is absolutely essential that easier credit be available. On the other hand there must be those incentives —this again comes back to our tax problems —that will encourage our people to produce those things which in too great quantities are imported today. Again, Mr. Chairman, I mention an illustration to which I think I referred a few weeks ago. A senior trade official from Japan who is in this country at the present time told me that he was not interested in importing textiles into this country; he was far more interested in importing heavy, modern equipment which would bring our own textile factories up to the standards they ought to have, in order that we can produce our own textiles.

Then, unless we can increase the effective demand of our home market, any increase in productivity will be nullified. Again, I would seriously say to the hon. members of the committee that unless we can make our own financial system work in such a way that it puts into the hands of our people the effective ability to use what they themselves produce, what is going to be the use of increasing our productivity at all? Herein lies one of the basic problems that we face. The government must give the help that is necessary in this regard, not through welfare but through a financial policy that will meet our needs today; not a financial policy that met our needs 50 or 100 years ago. We live in an age of potential plenty; this is an age of abundance. Unless we gear our policies, whether they refer to taxation, monetary reform or any other aspect of our economy, to this age of abundance we are simply going from one problem to another and any number of boards will not solve the problem.

There is another point, Mr. Chairman, and I think this comes within the terms of reference of the national productivity council. The productivity which is surplus to our economy and to the legitimate needs of our own country must find its way into the hands of those people elsewhere in the world who do not have the abundance that is ours. But this, again, is part of the function and purpose of the national productivity council and I am convinced that it is synonymous with the responsibilities which we would attach to the national economic development board. Thus I believe that the resolution which has been placed before us is commendable and is deserving of our support, provided it does work towards solving these aspects of our problems to which I have just referred.

Mr. Berger: I simply rise in order to ask a question of the hon. member for Red Deer. I was particularly interested in one aspect of his address. He used the expression "tax incentives". Can he tell us what taxes he had in mind using in order to reduce Canada's dependence on imports from abroad?

Mr. Thompson: Our problem which today and over the years has been concerned with the abnormal size of our imports, exists simply because we are not producing in Canada many of the articles which we now import from outside. Most of them could be produced here in Canada. Because we are not doing this we are experiencing the financial crisis which faces us at the present time with regard to our trade in balances. Surely the hon. member would agree with me that there is no problem as far as resources in this country are concerned, either material or human. We have in our possession most of the material resources and I think we have some of the finest human resources that exist in the world. Neither is there any problem about capital as far as productive capital is concerned, because we have somewhat over $8 billion of capital right now in the saving banks and trust companies which is there gathering—

An hon. Member: Dust.

Mr. Thompson: Dust. And it is earning only about half it could if it went to work producing and developing our own resources. One of the reasons this situation continues is simply because there is more profit investing in the deficits of our governments at guaranteed rates than there is going out and

developing our own resources. That is what is wrong with our economy today. We are tied to a debt system of deficit financing.

I would say to the leader of the hon. member's party that if the future of this country depends on more deficits there is something wrong with the Canadian people and those in this house who talk that way. What we further need is some tax reform—the removal of those taxes which restrict our credit, so that we can go ahead and develop our own resources and the production of those commodities which we are today importing and which we could use in far greater amounts than we do now.

Mr. Berger: The hon. member mentioned tax incentives, and that was why I asked him the question I did. But when he answered my question he used the words "tax reform". I wanted to know whether he had any tax incentives in mind—any specific measures by way of tax reform which he thought would relieve the situation he so ably described. I gather from his answer he really had nothing specific in mind.

Mr. Thompson: If the hon. member will take the time to read the platform—

The Deputy Chairman: I am sorry to interrupt the hon. member but I think the question asked by the hon. member for Vancouver-Burrard goes far beyond the terms of the resolution. That is the reason why I asked the hon. member for Red Deer to keep his answer for another occasion.

Mr. Thompson: I was only about to say that if the hon. member would read our election platform from the last election he would have the answer.

The Deputy Chairman: The hon. member for Port Arthur.

An hon. Member: Again.

Mr. Fisher: Thank you, Mr. Chairman. It is nice to have that response. I was just trying to figure out where it came from.

It is apparent that the hon. member for Red Deer is bored with boards. I was going to suggest there was something else in the house which was almost revolutionary. I think the minister and others will want to join me in congratulating the hon. member for Essex East, the hon. member for Algoma East and the hon. member for Bonavista-Twillingate on the first indication that we have had in this house for a long time of the Liberal party's planning. They have finally put up one of their backbenchers as the first speaker on a resolution. I think that deserves a compliment and it is the first indication that planning has reached the Liberal caucus.

The minister's approach to this reminds me of a problem I encountered when I was trying to write a study a few years ago on football and its appeal to crowds. I sent to the United States and picked up a Ph.D thesis on the whole relationship of football and crowds. It was a long, carefully written thing, beautifully documented, and the summary came down to this—that in relation to football and crowds the football teams are not really important; it is the cheerleaders who really make things go.

In many ways there is quite an analogy for me in the approach of the Minister of Trade and Commerce. He certainly seems to be the cheerleader and to feel that the exertions of the cheerleader are much more important than teams themselves which seem, in this case, to be management and labour. I certainly hope he gives us something more substantial in the future than just cheerleading with regard to this problem.

I listened with interest to the hon. member for Hamilton East. Really, the whole point of his remarks seemed to centre around the fact that he would like to have Claude Jodoin back. However, Claude is a bit reluctant about it. I think I have a good idea why Claude does not think much of it. No matter how brilliant Mr. De Young may be, it was not too clever of the government to take a man who is president of an organization which has perhaps the brightest record in Canada of keeping out unions from its own organization—

The Deputy Chairman: Order. It being ten o'clock shall I rise and report progress?

Mr. Churchill: Is there a chance of passing the resolution tonight? We could then consider the bill.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: I presume the indication the minister gave last night of the business for Tuesday and Wednesday still stands but perhaps it would be convenient if he could indicate the order of the items.

Mr. Churchill: We will start with the bill based on the resolution dealing with the Atlantic development board, followed by the resolution on the productivity council which we have just been considering. The third item would be the committee stage of Bill No. C-64 relating to the Coal Production Assistance Act. Although Wednesday is a short day, if there is time we will take the item standing in the name of the Minister of Justice, No. 26 on today's order paper, the resolution dealing with two additional judges for

the supreme court of Nova Scotia. Then there is item No. 21 in the name of the Minister of Justice dealing with an amendment to the Admiralty Act, and the resolution in the name of the Minister of Justice, No. 22, dealing with the revised statutes of Canada.

Mr. Pickersgill: I would like to point out to the minister that those last three items were not on the priority list he gave last Thursday evening of the matters the government specially wanted to get on with before Christmas. Would the minister also indicate whether it is still the intention of the government on Thursday, regardless of what progress is made, to go on with the national economic development council legislation?

Mr. Churchill: That is right.

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

HOUSE OF COMMONS

Wednesday, December 5, 1962

The house met at 2.30 p.m.

MISCELLANEOUS PRIVATE BILLS

Third report of standing committee on miscellaneous private bills—Mr. Mandziuk.

DOMINION-PROVINCIAL RELATIONS

QUEBEC—TABLING OF CORRESPONDENCE RESPECTING UNIVERSITY GRANTS

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. member for Richelieu-Vercheres (Mr. Cardin) on November 30 asked whether all the correspondence between the government of Quebec and the federal government concerning university grants had been tabled. At that time I said that I would have the question looked into. I now ask leave to table the correspondence additional to that which was previously tabled.

Mr. Speaker: By leave, the Prime Minister asks to table certain documents as requested by the hon. member for Richelieu-Vercheres. Is it agreed?

Some hon. Members: Agreed.

(Translation):

CANADIAN NATIONAL RAILWAYS

AMENDMENT TO REDUCE SALARY OF PRESIDENT

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, in the absence of the hon. member for Villeneuve (Mr. Caouette), may I have the unanimous consent of the house to introduce a bill intituled: "An Act to amend the Canadian National Railways Act (salary of president)".

Mr. Speaker: Does the house consent unanimously to the hon. member introducing the bill in the absence of the hon. member for Villeneuve?

Some hon. Members: No.

Mr. Speaker: I am sorry but there is no unanimity.

Mr. Gregoire: Are there any "nays"?

An hon. Member: Yes, there are.

(Text):

TRANSPORTATION

PROVISION OF FREE RAILWAY TRANSPORTATION FOR SENIOR CITIZENS

Mr. Thomas R. Berger (Vancouver-Burrard) moved for leave to introduce Bill No. C-95, to provide for free transportation on the railways of Canada for senior citizens.

Some hon. Members: Explain.

Mr. Berger: Mr. Speaker, this bill confers upon old age pensioners an advantage in the nature of a fringe benefit. This is a bill to extend to those receiving old age security and old age assistance the same right to free transportation on Canadian railways that members of parliament at present enjoy. Those persons would be eligible to apply for free transportation, and there would be no means test.

Motion agreed to and bill read the first time.

CANADIAN BILL OF RIGHTS

AMENDMENTS RESPECTING BY-ELECTIONS AND NATURALIZED CANADIAN CITIZEN

Hon. J. W. Pickersgill (Bonavista-Twillingate) moved for leave to introduce Bill No. C-96, to amend the Canadian Bill of Rights.

Some hon. Members: Explain.

Mr. Pickersgill: Mr. Speaker, there are two rather obvious omissions from the bill of rights. The first is that at the present time this house has not direct control over the election of its own members. The second is that naturalized Canadian citizens are not on a basis of complete equality with natural born Canadian citizens. The whole purpose of this bill is to make it clear that when a vacancy in the representation in this house has been notified to Your Honour the chief electoral officer, who is an officer of this house, and the chief electoral officer alone will have the power to determine when the election will be held, so that it will not be possible for the executive to delay these elections.

Some hon. Members: Oh, oh.

Mr. Pickersgill: The other is to make sure that no other statute of Canada will impose on a Canadian citizen who has been naturalized, who has been given Canadian citizenship, any kind of disability that is not borne by a native born citizen of our country.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

Questions

FAUTEUX COMMISSION REPORT RECOMMENDATIONS

Question No. 734—**Mr. Matheson:**

Which of the 44 recommendations contained in chapter XIV of the Fauteux commission report submitted on April 30, 1956, (a) have been implemented in full (b) have been implemented in part (c) are now under active consideration?

Mr. Bell (Saint John-Albert): (a) Numbers 6, 19, 34, 39, 42.

(b) Numbers 1, 2, 5, 8, 10, 13, 15, 16, 17, 18, 20, 21, 22, 24, 25, 26, 28, 29, 35, 36, 37.

(c) Numbers 4(a), 23, 27, 31, 38, 40.

Recommendations numbered 3, 7, 9 and 11 are directed to either the provincial authorities or the courts and are not the responsibility of the federal government.

HOUSING LOANS, CHATEAUGUAY DISTRICT, QUEBEC

Question No. 798—**Mr. Laniel:**

1. How many loans have been authorized from March 1957 to June 18, 1962, by Central Mortgage and Housing Corporation in the district of Chateauguay (constituency of Beauharnois-Salaberry) including those made by the corporation itself or by private enterprises under the National Housing Act?

2. What proportion of such loans was secured by a fire insurance policy issued through the insurance firm known as "Les Agences d'Assurances Salaberry Inc."?

Mr. McCleave: 1. Number of N.H.A. Loans—District of Chateauguay, Constituency of Beauharnois-Salaberry, March 1957-June 1962.

	No. of Loans
Approved lenders	1,596
C.M.H.C.	1,347
Total	2,943

2. The borrower in each case selects the insurance agency from whom the required insurance is obtained, and the corporation's records do not contain any information on this matter with regard to loans made by approved lenders, nor any permanent record with respect to the original policy on direct loans.

PAY INCREASES TO SENIOR R.C.M.P.

Question No. 852—**Mr. Cameron (Nanaimo-Cowichan-The Islands):**

Have some senior officers of the Royal Canadian Mounted Police been granted pay increases within the last month and, if so, to what ranks were these increases granted and how large were the increases?

Mr. McGee: Yes. Adjustments were granted to the following ranks in the following amounts:

Sub-inspector, $380 per annum; Inspector, $160 per annum; Superintendent, $520 per annum; Chief superintendent, $300 per annum; Assistant commissioner, $750 per annum; Deputy commissioner, $750 per annum.

HOUSING ACT LOANS AND SALES

Question No. 879—**Mr. Scott:**

In each of the years ended December 31, 1958, December 31, 1959, and December 31, 1960, in each province (a) how many housing loans were made under the National Housing Act (b) what was the total amount of such loans (c) how many approved purchasers of houses built under the National Housing Act earned (i) under $2,000 per year (ii) between $2,000 and $2,999 per year (iii) between $3,000 and $3,999 per year (iv) between $4,000 and $4,999 per year (v) between $5,000 and $5,999 per year (vi) between $6,000 and $6,999 per year (vii) between $7,000 and $7,999 per year (viii) between $8,000 and $8,999 per year (ix) between $9,000 and $9,999 per year (x) over $10,000 per year?

Mr. McCleave:

(a) and (b).

TOTAL N.H.A. LOANS APPROVED FOR SINGLE FAMILY DWELLINGS*

FOR THE YEARS 1958, 1959 AND 1960

Province	1958		1959		1960	
	Loans	Amt. ($000)	Loans	Amt. ($000)	Loans	Amt. ($000)
Nfld.	315	3,727	253	2,949	104	1,153
P.E.I.	37	378	37	445	57	574
N.S.	773	8,654	1,004	11,239	608	6,820
N.B.	913	9,079	896	9,194	563	5,903
Que.	9,375	107,156	8,042	92,171	6,664	74,273
Ont.	32,620	390,525	22,074	265,412	11,390	139,043
Man.	2,851	31,624	2,784	32,162	1,550	18,540
Sask.	2,359	26,486	2,687	30,841	1,518	16,653
Alta.	9,752	112,361	8,057	95,422	3,871	46,270
B.C.	6,870	81,592	5,200	61,426	1,642	19,333
Yukon	1	10	16	174	32	377
NWT.	13	168	14	176	6	76
Canada	65,879	771,760	51,064	601,611	28,005	329,015

* Data do not take account of cancellations.

(c).

NUMBER OF N.H.A. BORROWERS AND PURCHASERS IN SELECTED INCOME GROUPS

1958*

Area	Under $2000	$2000–$2999	$3000–$3999	$4000–$4999	$5000–$5999	$6000–$6999	$7000–$7999	$8000–$8999	$9000–$9999	$10,000 and over	total
Canada	5	98	4,081	14,659	11,171	6,633	3,284	1,672	806	1,739	44,148

* Provincial breakdown of the data are not available for 1958.

NUMBER OF N.H.A. BORROWERS AND PURCHASERS IN SELECTED INCOME GROUPS

1959

Area	Under $2000	$2000–$2999	$3000–$3999	$4000–$4999	$5000–$5999	$6000–$6999	$7000–$7999	$8000–$8999	$9000–$9999	$10,000–and over	Total
Nfld	—	2	59	70	50	37	19	8	2	17	264
P.E.I	—	2	4	8	5	2	3	1	1	7	33
N.S	—	13	126	282	222	111	79	30	17	37	917
N.B	—	32	216	323	193	132	67	24	11	38	1,036
Que	—	27	695	2,462	2,610	1,899	1,168	670	284	539	10,354
Ont	3	85	2,252	10,770	8,772	4,866	2,432	1,259	500	1,077	32,016
Man	—	12	445	1,181	734	438	212	131	48	137	3,338
Sask	—	7	278	751	668	530	256	155	53	177	2,875
Alta	—	15	824	3,502	2,566	1,561	789	403	229	458	10,347
B.C	—	5	374	1,940	1,816	1,100	513	224	138	284	6,394
Yukon	—	—	—	5	3	3	3	1	—	1	16
NWT	—	—	—	—	4	1	2	1	1	—	9
Canada	3	200	5,273	21,294	17,643	10,680	5,543	2,907	1,284	2,772	67,599

NUMBER OF N.H.A. BORROWERS AND PURCHASERS IN SELECTED INCOME GROUPS

1960

Area	Under $2000	$2000–$2999	$3000–$3999	$4000–$4999	$5000–$5999	$6000–$6999	$7000–$7999	$8000–$8999	$9000–$9999	$10,000–and over	Total
Nfld	—	4	29	39	19	17	8	5	3	4	128
P.E.I	—	2	17	18	8	3	4	2	—	1	55
N.S	—	9	97	226	139	99	46	20	6	10	652
N.B	—	7	117	206	84	78	52	21	15	24	604
Que	—	17	559	2,261	1,702	1,054	559	294	137	298	6,882
Ont	—	25	768	4,362	3,742	2,154	1,119	551	269	397	13,386
Man	—	2	137	654	344	189	109	45	19	37	1,536
Sask	—	9	221	692	324	212	74	54	30	50	1,666
Alta	—	9	342	1,773	1,196	712	336	167	73	134	4,742
B.C	1	4	127	766	709	423	184	73	41	51	2,379
Yukon	—	—	—	9	6	5	4	4	1	5	34
NWT	—	—	1	1	2	—	—	—	—	—	4
Canada	1	88	2,415	11,007	8,275	4,946	2,495	1,236	594	1,011	32,068

***NATIONAL CENTENNIAL ADMINISTRATION**

Question No. 885—**Mr. Mackasey:**

1. Who has been appointed commissioner of the national centennial administration?

2. Have the eight directors of this centennial administration been chosen?

3. What are the salaries of the commissioner and deputy commissioner?

4. Has the administration had any meetings and, if so, how many?

5. When does the administration intend to make grants to provinces or organizations for the observance of the centennial of confederation in Canada?

6. What decisions have so far been made in order that the centennial be observed throughout Canada in a manner in keeping with its national and historical significance?

Mr. Diefenbaker: The answers are as follows:

1 and 2. The government is still giving consideration to these appointments, covering as they do provincial and federal representatives, also representatives of the various organizations. As far as questions 3 and 4 are concerned, they therefore are not applicable.

5 and 6. I shall make a statement on these matters after the appointments of the commissioner and directors are announced.

(Translation):

OTTAWA DISTRICT, HARBOURS AND RIVERS ENGINEERING BRANCH, PUBLIC WORKS DEPARTMENT

Question No. 929—**Mr. Legare:**

1. What are, for the harbours and rivers engineering branch of the Department of Public Works, the limits of the district of Ottawa?
2. How many English speaking and how many French speaking persons are resident in the said district?
3. Is the chief engineer of the said district a unilingual officer?
4. Does the department intend to make any change in this situation?

Mr. McCleave: 1. The limits of the district of Ottawa consist of the electoral ridings of Chapleau, Villeneuve, Pontiac-Temiscamingue, Gatineau, Labelle, Glengarry-Prescott, Russell, Stormont, Grenville-Dundas, Carleton, Lanark, Leeds, Kingston, Prince Edward-Lennox, Hastings South, Hastings-Frontenac, Renfrew South, Renfrew North.

2. According to the dominion bureau of statistics, there are 645,019 English speaking residents and 377,010 French speaking residents in that area.

3. Yes, but his assistant is bilingual. Ten out of 14 members of the technical staff are bilingual.

4. Though there is always room for improvement, the present situation is considered satisfactory.

(Text):

INVESTIGATIONS INTO ALLEGED HARMFUL DRUGS

Question No. 954—**Mr. Harley:**

1. What are the investigative procedures carried out by the food and drug directorate re drugs suspected of having harmful effects?
2. In the steps the directorate takes in these matters (a) who initiates the investigation (b) who carries it out (c) how is it assessed, and by whom?
3. Does the government maintain any liaison with similar food and drug directorates in other countries and, if not, would the government consider setting up liaison?

Mrs. Casselman: 1. The investigative procedures used by the food and drug directorate regarding drugs suspected of having harmful effects depend on the nature, extent and source of the report received on the harmful effects of the drugs. It is the practice to refer such reports first to a member of the professional staff of the directorate with knowledge and experience in the drug field on the harmful effects reported. This in turn may lead to a search of the scientific literature, inquiries from or consultation with scientists in the government, in other countries, in pharmaceutical firms, or in scientific organizations.

Where the reports indicate the necessity for inspecting the facilities of the pharmaceutical manufacturer, this is carried out by the inspection services of the directorate. Where laboratory studies are indicated the problem is referred to the laboratory services of the directorate for investigation.

2. The investigations are initiated under the authority of the director and are assigned to members of the professional staff of the food and drug directorate considered to have the necessary knowledge, skills and experience to study the problem. The results of the investigations are assessed by the professional staff in consultation with the director or referred to an advisory panel on drugs.

3. There are frequent conversations and interchange of information respecting problems in the drug field between the technical staff of the food and drug directorate and the food and drug administration in the United States, the ministry of health in the United Kingdom and in Australia, and similar government agencies in other countries.

Liaison is also maintained with the groups in the world health organization concerned with the international pharmacopoeia and the biological standardization of drugs, and the food and drug directorate is represented on panels and committees of organizations concerned with the establishment of official compendia on drugs in the United Kingdom and the United States.

In his statement to the House of Commons on October 26 the Minister of National Health and Welfare indicated that the Canadian delegation to the world health assembly held last May initiated and co-sponsored a special resolution designed to promote greater international co-operation in the drug field and particularly to secure regular exchange of information on the safety and efficacy of pharmaceutical preparations. The international type of liaison envisaged in the resolution is considered a very effective method of dealing with the subject.

UCLUELET INDIAN RESERVE, B.C.—WORKS CONTRACT

Question No. 961—**Mr. Barnett:**

1. Has a contract recently been awarded for the construction of certain works at the Ucluelet Indian reserve in Ucluelet, B.C., and, if so, what is the

nature of these works, and under the auspices of what department or departments are these works being constructed?

2. What are the names of the bidders for this contract and the amounts of their respective tenders?

3. To whom was this contract awarded?

Mr. McCleave: 1. No, although tenders have been received.

2. Mr. I. Ossinger, Port Albion, B.C., $13,076.20; Thom Gibson Contracting, Tofino, B.C., $16,445; McLellan Contracting Co. Ltd., Alberni, B.C., $16,450.

3. Not applicable.

SHIPMENTS OF WHEAT TO ONTARIO AND QUEBEC

Question No. 973—**Mr. Ethier:**

1. Has the Minister of Agriculture received representations concerning the limited shipments of wheat from western Canada to wholesalers and flour mills in eastern Ontario and western Quebec?

2. Have steps been taken to provide increased supplies?

Mr. Pigeon: 1. There have been no representations received concerning limited shipments from western Canada of the milling grades of wheat for consumption in eastern Canada. With regard to feeding grades of wheat there have been some representations received indicating concern as to the supply and availability in eastern Canada.

2. There is an adequate supply of the milling grades of wheat in eastern Canada. With regards to feeding grades, the Canadian wheat board has been giving priority to shipping the lower grades from the country elevators to the lakehead and throughout the fall season they have had on continuous offer ample supplies of feeding wheat, in the form of sample wheat lots, in the terminals. There have been no problems inasmuch as the board always had enough feeding grades at the lakehead when the boats presented. Eastern buyers have the responsibility of purchasing this wheat and moving it to eastern positions to meet the demands of their customers.

VANCOUVER AIRPORT—LAND ACQUISITIONS

Question No. 976—**Mr. Laing:**

In connection with land acquisitions for Vancouver international airport at Sea island, by way of purchase or expropriation what was (a) year of acquisition (b) acreage involved (c) average price per acre paid?

Mr. McBain:

(a), (b) and (c).

Year of acquisition	Acreage involved	Average price per acre
1942	285.35	$ 755 (includes buildings)
1943	109.94	609 "
1947	110	440 "
1949	30.39	721 "
1951	328	460
1952	72.54	755
1954	1,586.53	1,356
1957	2	3,900
1958	10.09	1,858
1959	7.82	5,000 (subdivided residential lots)
1960	1	5,000 "
1962	474.78	3,680 (city of Vancouver land only)

AVERAGE WEEKLY WAGES BY PROVINCES

Question No. 978—**Mr. Laing:**

In January 1945, and for January of each year since, what have been average weekly wages paid in each of the provinces?

Mr. Nesbitt:

AVERAGE WEEKLY WAGES AND SALARIES, INDUSTRIAL COMPOSITE OF NINE MAJOR NON-AGRICULTURAL INDUSTRIES, BY PROVINCE, JANUARY, 1945-1962, INCLUSIVE

January	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia
	$	$	$	$	$	$	$	$	$	$
1945	n.a.	25.38	33.44	28.60	30.67	33.00	31.31	30.68	33.13	34.70
1946	n.a.	26.01	31.11	29.74	30.90	32.42	32.42	31.60	33.87	34.67
1947	n.a.	28.16	33.57	32.58	33.56	36.00	35.45	34.89	36.01	36.90
1948	n.a.	28.54	33.96	34.88	37.27	39.87	38.25	37.14	38.18	41.00
1949	n.a.	33.14	38.56	39.04	41.09	44.13	41.98	41.09	44.66	44.79
1950	39.95	33.36	39.54	38.87	42.13	45.57	42.82	42.27	44.34	45.56
1951	41.45	35.96	40.97	41.56	45.67	50.07	46.35	44.89	48.69	50.36
1952	48.53	36.51	44.47	45.23	51.14	55.59	50.68	49.68	53.52	57.12
1953	52.06	44.37	48.74	49.08	54.41	58.91	53.74	52.71	57.50	61.65
1954	54.90	44.80	49.45	50.15	56.26	60.75	56.05	54.96	59.93	62.60
1955	52.43	46.27	50.36	52.21	57.76	62.61	57.27	56.98	62.05	64.82
1956	54.20	47.74	52.68	54.07	59.94	64.94	59.05	58.96	64.92	67.33
1957	59.44	46.74	55.40	57.51	64.16	69.39	62.46	63.84	68.80	71.09
1958	61.67	52.71	58.44	57.63	66.64	72.08	67.87	66.48	71.56	73.59
1959	60.73	54.62	59.26	59.47	69.65	75.46	68.01	68.34	74.78	77.90
1960	65.46	57.49	62.73	62.52	72.31	77.98	70.74	70.61	77.32	82.01
1961	71.08	57.94	63.62	63.49	74.27	79.96	72.24	72.52	78.67	83.83
1962	72.69	59.20	65.13	65.23	76.84	82.23	73.87	75.11	80.68	86.22

n.a.—not available.

FRASERVIEW VETERANS HOUSING PROJECT, VANCOUVER

Question No. 980—**Mr. Laing:**

In respect of the sale of houses in the Fraserview veterans housing project in Vancouver, (a) was straight line depreciation of 2½ per cent per annum computed in fixing the price of these properties to the veterans (b) was C.M.H.C. instructed by the Minister of Public Works at any time that the sale prices to the veterans were to be based on actual cost and not on current market value and, if so, how is the price of $10,600 for a 5-room bungalow with basement computed (c) are identical houses being sold in the veterans project in the city of Vernon at prices as much as $2,500 less, and if so, on what computation (d) when did C.M.H.C. return to the government the 2 per cent money advanced for the construction of this project?

Mr. McCleave: (a) Straight line depreciation of 2½ per cent per annum was computed for the purpose of determining the corporation's book value of the properties. The sales prices for houses in the 1948-49 veterans program were established on a basis that nationally would recover the full outlay of the government in the over-all program of approximately 12,000 units. On establishing prices for the individual projects in each municipality, consideration was given to the original costs of construction, age of the houses, their present market value and their location.

(b) No. As indicated in (a) above, the sale prices took into consideration both the corporation's costs and the current market value.

(c) Yes. The same house types have been sold in the city of Vernon at prices less than the sales prices in the Fraserview project. The considerations influencing the sales prices in the Vernon project were the same as expressed in (a) above.

(d) The corporation repays debentures under section 37 of the National Housing Act over a 40 year period. In addition, where a house is sold principal repayments of the debenture debt are accelerated annually to the extent of the amount of principal received by C.M.H.C. as a result of sale.

SPRUCE BUDWORM CONTROL

Question No. 983—**Mr. MacRae:**

1. What contributions did the federal government make to initiate spruce budworm control operations in eastern Canada?
2. Have the control operations yielded substantial benefits?

Mr. Flemming (Victoria-Carleton): During the entire period of the budworm outbreak, which started about 1949, officers of the Department of Forestry have carried out surveys to delineate areas of high hazard, where control operations would be needed to prevent serious timber mortality. They also carried out intensive biological studies and provided technical advisory services to the provincial governments of New Brunswick and Quebec, and to forest industrial associations in the two provinces.

The federal government paid one third of the cost of control operations in New Brunswick since 1953. Over the past ten years the federal government paid approximately $3.8 million to the cost of the control program.

The spraying operations prevented serious timber mortality throughout the huge infestation area. Without this direct intervention severe timber mortality would have occurred over an area of at least four or five million acres, and a fire hazard of extreme proportions would have been created.

COLUMBIA RIVER—SALE IN U.S. OF DOWNSTREAM ENERGY

Question No. 984—**Mr. Davis:**

Has the Canadian government or any of its agencies made inquiries about the sale of a portion or all of Canada's share of Columbia river treaty downstream benefit energy in the United States and, if so, what was the result of these inquiries in terms of the volume, the duration, and the price of the surplus downstream benefit power which Canada might sell to utilities in the United States?

Mr. Green: As indicated by the Secretary of State for External Affairs in his reply on November 27 last to a question by the hon. member for Kootenay East, representatives of the federal government have been participating in talks with representatives of British Columbia and the United States on a non-committal basis. Two such talks have been held and another meeting is scheduled for mid December.

*FEDERAL ASSISTANCE FOR INTER-PROVINCIAL ROADS

Question No. 986—**Mr. Haidasz:**

1. Has the Minister of Public Works received any request from the minister of highways of the province of Alberta for federal assistance in the building of interprovincial roads?
2. Was any federal assistance granted for interprovincial roads?
3. What is the federal government's national highway policy?

Mr. McCleave: 1. Yes.

2. Yes, for trans-Canada highway and under the roads to resources program a connecting road from Alberta to the Northwest Territories.

3. Present policy provides for federal assistance in the construction of the trans-Canada highway, roads to resources projects and approved interprovincial and international bridge projects.

Questions

NET FARM INCOME

Question No. 992—**Mr. Matheson:**

What is the net income in fixed dollars, for each year commencing 1956, (a) for all Canadian farms (b) for a grain farm (c) for a dairy farm?

Mr. Nesbitt: (a). There is not available any one index or composite of indexes which take into account all the purposes for which the net income is used and, therefore, a satisfactory estimate of farm net income in terms of "fixed" dollars cannot be calculated.

(b) and (c). Data concerning farm income and expenditures are collected on the basis of all farms and are not available by type of farm.

*PUBLIC WORKS EXPENDITURES, SKEENA CONSTITUENCY

Question No. 1,001—**Mr. Howard:**

For the electoral district of Skeena, how much money by the Department of Public Works (a) has been spent in each of the fiscal years 1957-58, 1958-59, 1959-60, 1960-61 and 1961-62 (b) was to have been spent pursuant to the estimates for the fiscal year ending on March 31, 1963 (c) is to be spent pursuant to the revised estimates and supplementaries thereto for the fiscal year ending March 31, 1963?

Mr. McCleave: (a) 1957-58, $284,166; 1958-59, $320,568; 1959-60, $794,161; 1960-61, $760,071; 1961-1962, $142,103.

(b) $1,365,000.

(c) $1,290,000.

(The above figures do not include an average of from $20,000 to $30,000 spent each year on numerous minor repair and upkeep jobs for which the exact figures could not be obtained without devoting an unreasonable amount of time and effort to it.)

FEDERAL JURISDICTION OVER SALMON SPAWNING STREAMS

Question No. 1,002—**Mr. Howard:**

1. What authority does the Department of Fisheries have to deal with companies or persons whose logging operations result in salmon spawning streams being clogged with debris, and has this authority been exercised in the Queen Charlotte islands at any time during the past ten years and, if so, what action was taken, against whom, at what time, for what reason, and what resulted therefrom?

2. What authority does the Department of Fisheries have to deal with companies or persons who remove gravel from salmon spawning streams and has this authority been exercised on the Queen Charlotte islands at any time during the past ten years and, if so, what action has been taken against whom, at what time, for what reason, and what resulted therefrom?

Mr. MacLean (Queens): 1. Section 33, subsection 3, of the Fisheries Act, which reads as follows:

(3) No such person engaging in logging, lumbering, land clearing or other operations, shall put or knowingly permit to be put, any slash, stumps or other debris into any water frequented by fish or that flows into such water, or on the ice over either such water, or at a place from which it is likely to be carried into either such water.

Departmental policy is to advise offenders of this authority and the penalties provided, with a request for co-operation, which is normally forthcoming. In the past ten years no prosecutions have been necessary on Queen Charlotte islands, although numerous warnings were given, amongst which were removal of debris from Dana inlet creek in 1959, Copper river, Hannat creek and Terundle creek in 1962, all followed by observance of the provisions of the act.

2. Section 30 of the Fisheries Act provides that the eggs or fry of fish on the spawning grounds shall not at any time be destroyed.

The problem has been dealt with by asking companies or persons to limit operations to other areas or to times when eggs and fry are not present. The department is aware that in free periods gravel is stockpiled, as on the Mammon river. This has an undesirable effect and accordingly other means, such as use of dry backwaters, are suggested. In some areas adjustment is easy, for example on the Deena river the company involved was persuaded to use gravel from the intertidal zone.

In recognition of the possibility of serious effects on the Yakoun, one of the largest rivers, and now being considered for logging development, the co-operation of the company and the British Columbia forest service is being enlisted to avoid overremoval.

*COLUMBIA RIVER—B.C. CONFIRMATION OF TREATY

Question No. 1,004—**Mr. Ryan:**

Is there any confirmation or endorsement in writing of the Columbia river basin treaty by British Columbia or its representatives, by correspondence, initialling of documents or otherwise?

Mr. Green: Mr. Speaker, it is a long answer. Perhaps it could be printed in *Hansard*.

Mr. Speaker: How long is the answer?

Mr. Green: Two pages.

Mr. Speaker: In the light of the length of the answer, perhaps it might. I do not want to make suggestions, but there are two things that can be done. Either the answer can be taken as read and appear in *Hansard* if it is not too long, or it can be made an order for return tabled herewith.

Mr. Green: Possibly it could be taken as read.

Mr. Pickersgill: Have it appear in *Hansard*.

Mr. Speaker: Is it to be taken as read?

Some hon. Members: Agreed.

[*Editor's note: The answer referred to above is as follows:*]

1. The progress report of the Canadian and United States delegations, dated September 28, 1960, was signed by the negotiator appointed by the government of British Columbia, Mr. E. W. Bassett, deputy minister of lands and forests. This report was tabled in the House of Commons on November 18, 1960.

2. At a meeting of the Canada-British Columbia policy liaison committee on January 3 and 4, 1961, a statement was placed on the record confirming British Columbia's intention to proceed with the implementation of the treaty as negotiated, which was then in final draft form. This statement was agreed to by the British Columbia representatives, including Hon. Ray Williston, minister of lands and forests and water resources, Hon. R. W. Bonner, attorney general and minister of industrial development, trade and commerce, and Mr. Bassett.

3. Mr. Bassett also signed the final report to the governments of Canada and the United States, made at Ottawa on January 8, 1961, and tabled as an appendix to *Hansard* of January 19, 1961. This report recommends to the two governments that they sign the treaty as drawn by the negotiators.

4. As indicated by the Minister of Public Works on November 30 last, in reply to a question by the hon. member for Kootenay East, a letter dated January 9, 1961, was written formally to Mr. Williston, enclosing an official copy of the treaty recommended by the negotiators, advising him that such treaty would be signed in Washington, giving him the date, and stating that this would be done on the understanding that, unless word to the contrary was received, the treaty as drawn had the approval of the government of British Columbia. This letter was acknowledged by Mr. Williston by letter dated January 12, 1961, and no suggestion of objection was raised. This correspondence was tabled on September 7, 1961 (sessional paper No. 180F).

COLUMBIA RIVER—PREPARATION OF TREATY

Question No. 1,005—**Mr. Ryan:**

1. Did the federal government prepare the first draft of the Columbia river basin treaty and, if not, by whom was it prepared?
2. What are the names and positions of all negotiators of the said treaty?

Mr. Green: 1. Each of the negotiating teams started with its own draft. On the Canadian side the draft had been prepared jointly by the federal and British Columbia representatives. The final text of the treaty resulted from negotiations which took these and later drafts into account.

2. The negotiators who signed the report covering the treaty were: Hon. E. D. Fulton, Minister of Justice; R. G. Robertson, deputy minister, Department of Northern Affairs and National Resources; E. W. Bassett, deputy minister of lands and forests, British Columbia; A. E. Ritchie, assistant under secretary of state, Department of External Affairs.

In addition, at various stages of the treaty numerous other financial, engineering, electric power and legal experts from both federal and provincial governments participated in the negotiations.

STUDY OF DISEASE MALVARIA

Question No. 1,010—**Mr. Mather:**

Has the Department of National Health and Welfare information on the disease "malvaria" as identified by Doctors Hoffer and Osmond of Saskatchewan and of its relationship to alcoholism, schizophrenia and mental retardation and, if so, does the department intend to study treatment of the disease with a view to ascertaining whether beneficial results may accrue to the afflicted in those categories?

Mrs. Casselman: Yes, a letter was received from Dr. A. Hoffer enclosing a reprint from the *Canadian Medical Association Journal* of an article by Doctors Hoffer and Osmond entitled "The Association Between Schizophrenia and Two Objective Tests".

The authors "suggest that these procedures be further evaluated as diagnostic tests for psychiatric illnesses". Dr. Hoffer also stated in his letter that he will soon publish a very comprehensive report in the *Canadian Public Health Journal*. The department's decision regarding any study of this subject would therefore follow the further evaluation and the report.

COLUMBIA RIVER—FEDERAL REPRESENTATION AT TALKS BETWEEN U.S. AND B.C.

Question No. 1,011—**Mr. Davis:**

Was the Canadian government represented at the recent talks between the government of British Columbia and the authorities in the United States concerned with the implementation of the Columbia river treaty and, if so, by whom?

Mr. Green: The federal government has been represented by: R. G. Robertson, deputy minister, Department of Northern Affairs and National Resources; A. E. Ritchie, assistant under secretary of state, Department of External Affairs; J. F. Parkinson, economic adviser, Department of Finance; G. M. MacNabb, water resources branch, Department of Northern Affairs and National Resources.

Questions

(Translation):

GRANTS FOR REPLACEMENT OF MAPLE SAP PAILS

Question No. 1,012—**Mr. Boutin:**

1. In what year did the government adopt the policy of providing grants to farmers for the replacement of maple-sap pails?
2. How many farmers have taken advantage of the legislation?
3. What amount of money was spent for that purpose?
4. Was this policy abandoned and, if so, in what year, and does the government intend to reinstitute that policy in the near future?

Mr. Pigeon: 1. In 1940 the government commenced participation in a cost shared program with the province of Quebec to assist in the replacement of maple sap buckets. One-third of the cost of replacement was met by each of (a) the producer (b) the provincial government (c) the federal government. The record keeping and accounting was handled by the provincial government.

2. Not available.

3. The federal share of the assistance between 1940 and 1955 totalled $2,932,447.78.

4. Yes, in 1955. The reinstitution of the program is not being considered at this time.

(Text):

FOREST INVENTORY SURVEYS

Question No. 1,014—**Mr. Coates:**

Has federal government assistance been available to the provinces for the carrying out of forest inventory surveys since 1951, and, if so, what benefits have resulted from such surveys?

Mr. Flemming (Victoria-Carleton): The inventories have provided the provinces with the basic information necessary for sound forest administration and management. The provinces have utilized the information in establishing sustained yield areas on which a calculated annual production of cellulose can be maintained in perpetuity.

In many areas of Canada the inventory surveys have demonstrated a forest potential capable of sustaining major forest industries and an influx of industry has occurred into areas where, hitherto, forestry was of lesser importance, such as certain parts of the interior of British Columbia, Alberta, and Nova Scotia.

INCREASE IN FARM COSTS

Question No. 1,015—**Mr. Clunis:**

With 1952 as the base year, what was the percentage increase in cost to Ontario farmers each year since 1956 of (a) farm machinery (b) replacement parts for farm machinery and (c) commercial fertilizers, weed killers and pesticides, respectively?

Mr. Nesbitt: In answering this question, the dominion bureau of statistics has interpreted cost to mean farmers' total outlay arising out of quantity and the cost per unit of commodity purchased. The percentage changes in these estimated outlays for the items specified are as follows:

	Farm Machinery	Farm Machinery Replacement Parts	Commercial Fertilizers	Weed Killers & Pesticides
		1952=100		
1956	83.4	103.2	125.6	113.7
1957	76.1	113.2	125.4	119.1
1958	83.7	113.6	137.5	123.2
1959	98.3	130.0	155.9	152.5
1960	96.0	142.3	149.2	162.1
1961	99.1	148.0	174.7	200.8

SPRUCE BUDWORM OUTBREAK, EASTERN CANADA

Question No. 1,016—**Mr. Fairweather:**

What is the present status of the spruce budworm outbreak in eastern Canada and, will chemical control operations be necessary in 1963?

Mr. Flemming (Victoria-Carleton): The outbreak is no longer active in northern New Brunswick and the adjacent part of Quebec. Consequently no control operations will be necessary in these areas in 1963.

In central New Brunswick, budworm populations remain at hazardous levels in about one dozen localities, aggregating some 360,000 acres. This is the smallest acreage of hazardous infestation that has been experienced since 1952. Spraying operations should be carried out in 1963 to reduce the budworm population on these 360,000 acres. No other aerial spraying operations against the budworm are anticipated in eastern Canada.

[Mr. Green.]

(Translation):

MORTGAGE RESERVE FUND, C.M.H.C.

Question No. 1,021—**Mr. Cote:**

1. What is the amount of the reserve fund at Central Mortgage and Housing Corporation accumulated through premiums paid by borrowers?
2. Is this reserve invested in securities?

Mr. McCleave: 1. By October 31, 1962, the credit of the mortgage insurance fund amounted to $99,647,387.

2. An amount of around $14.5 million of this credit represents real properties purchased following the settling of claims. An amount of about $3.7 million represents mortgages resulting from the sale of mortgaged properties purchased. The rest is invested in Canada bonds or guaranteed by Canada, according to the requirements of the National Housing Act.

(Text):

FOREST FIRE PROTECTION

Question No. 1,023—**Mr. MacRae:**

What assistance has been or is being provided the provinces under the federal-provincial forestry agreement respecting forest-fire protection?

Mr. Flemming (Victoria-Carleton): The agreements have provided federal financial assistance to the provinces for the purchase of capital goods required for the prevention, detection and suppression of forest fires, including the charter of aircraft and vessels required for protection purposes.

As an example of the extent of this assistance, the provinces have since 1957 purchased with federal aid 57 fire towers, 1,453 radios, 867 motor vehicles, 24 bulldozers, 47 muskeg tractors, 799 power pumps, 4,732 hand pumps, and over 3 million feet of hose. In addition, 100 buildings have been erected and for the charter of fixed wing aircraft and helicopters, an amount of nearly $3,560,000 has been shared in. Many minor items of equipment have also been purchased.

(Translation):

DORVAL AIRPORT—TRANSPORTATION OF PASSENGERS

Question No. 1,027—**Mr. Marcoux:**

What companies are authorized to carry passengers from the Dorval airport to the city of Montreal and were these companies invited to submit public tenders?

Mr. McBain: Murray Hill Limousine Service Limited, in accordance with a franchise granted by the Quebec transportation board, the controlling provincial authority over services of this sort, and in accordance with an agreement entered into with the Department of Transport. Because of provincial jurisdiction over franchises, federal calling of public tenders would not be appropriate, but there is regular consultation with the airlines with a view to providing service in accordance with their requirements.

(Text):

MORTGAGE INDEBTEDNESS OF ONTARIO FARMS

Question No. 1,031—**Mr. Clunis:**

1. In the period 1956 to 1962 inclusive, what was the total number of Ontario farms which were subject to mortgage in each year?

2. What was the total mortgage indebtedness owing on Ontario farms in each of the years 1956 to 1962 inclusive?

Mr. Nesbitt: 1. In 1958 the estimated number of Ontario farms with mortgages was 49,306.* Statistics are not yet available for the 1961 census year; for other years, no information is available.

2. In 1958, the estimated mortgage indebtedness on Ontario farms was $244,623,000.* For other years, see answer to question 1.

*Source: 1958 Farm Survey Report No. 1: Expenditures, Receipts and Farm Capital, Dominion Bureau of Statistics.

APPROVALS BY EXPORT CREDITS INSURANCE CORPORATION

Question No. 1,038—**Mr. Laing:**

Since November 1, 1962, what is the (a) description of export (b) name of exporter (c) value of export, of all approvals made by the Export Credits Insurance Corporation?

Mr. Nesbitt: (a) Exports made during the month of November are not reported to the corporation until the month of December and details will not be tabulated until late in December.

(b) All discussions and correspondence in connection with policies are to be treated by both sides as confidential in accordance with the contracts of insurance, therefore, the corporation cannot divulge the name of exporters.

(c) Answered by (a).

ACTION ON REPORT ON JUVENILE DELINQUENCY

Question No. 1,039—**Mr. Brewin:**

Has government consideration been given to the recommendations of the report of the committee on juvenile delinquency of the social planning council of metropolitan Toronto of September, 1962, and, if so (a) what steps, if any, have been taken to carry out any of the recommendations (b) in particular, has the Minister of Justice called, or does he intend to call, a dominion-provincial conference to advise him on the revision of the Juvenile Delinquents Act (c) has the Minister of Justice considered, and, if so, what action is proposed in regard to the legislative changes recommended in the above report (d) has consideration been given to the establishment of an institute for the study of crime and delinquency, as recommended in the said report?

Mr. Bell (Saint John-Albert): The Minister of Justice appointed a departmental committee on juvenile delinquency to advise him on this subject in January, 1962. This committee has been travelling across Canada, receiving briefs from and holding discussions with authorities in every province which

works in or is familiar with the field of juvenile delinquency. Two meetings were held with the social planning council of metropolitan Toronto on October 15 and 16, at which time the report of the committee on juvenile delinquency of the social planning council of metropolitan Toronto was received and discussed. That report will be considered by the departmental committee when it comes to prepare its own report, which will be handed down by the end of April, 1963.

*FRENCH CANADIAN MEMBERS, C.N.R. DIRECTORS

Question No. 1,042—**Mr. Gregoire:**

Are there any French Canadians among the directors of the Canadian National Railways?

Mr. McBain: Yes; Mr. J. Louis Levesque, Mr. Guy Charbonneau and Mr. Gilbert Ayers.

(Translation):

FRENCH CANADIAN MEMBERS, C.N.R. BOARD OF DIRECTORS

Question No. 1,043—**Mr. Gregoire:**

Has any consideration ever been given to the appointment of a French Canadian to the board of directors of the Canadian National Railways and, if so (a) when (b) who was considered for such appointment (c) what was the substance of the decision made in each case?

Mr. McBain: Messrs. J. Louis Levesque, Guy Charbonneau and Gilbert Ayers are, at present, members of the board of directors of the C.N.R. They were appointed by the government for a term of three years starting on October 1, 1961.

(Text):

QUESTIONS PASSED AS ORDERS FOR RETURNS

"CANADIAN INTELLIGENCE SERVICE"

Question No. 795—**Mr. Berger:**

1. Is the publication, called *Canadian Intelligence Service* emanating from Flesherton, Ontario, an official publication of the government of Canada?
2. If not (a) has the government received any protests concerning the use of this title for a non-governmental publication (b) has the government any control over the use of such titles by non-governmental publications (c) does the government endeavour to discourage the use of such titles by non-governmental publications?

N.H.A. LOANS THROUGH C.M.H.C. OFFICES, TORONTO AREA

Question No. 922—**Mr. Cameron (High Park):**

1. How many National Housing Act loans have been processed through the Toronto branch, Scarborough branch, and Weston branch office of Central Mortgage and Housing Corporation in 1962?
2. What was their total value?
3. How many loans were processed in 1961, 1960, and 1959?
4. What lawyers handled these loans for Central Mortgage and Housing Corporation in each of these years, and what were their fees?

PRIVATE AND SOCIAL INVESTMENT BY PROVINCES

Question No. 970—**Mr. Laing:**

In each year since 1950, what has been the volume of (a) private capital (b) social capital, invested in each of the provinces?

FORT NELSON INDIAN RESERVE, MUSKWA, B.C.

Question No. 1,003—**Mr. Howard:**

1. Upon what date was the land acquired for the settlement of the Fort Nelson Indians near Muskwa at or near mile 295 of the Alaska highway, and is there a military camp or establishment at that location and, if so, how many men are stationed at it?
2. Were some or all of these Indians previously living on or near a so-called traditional reserve named "The Old Fort" and, if so, how far distant is "The Old Fort" from the present settlement near Muskwa?
3. Who initiated the proposal to move these Indians and upon what date was that proposal made?
4. During the time that he was superintendent of the Fort St. John Indian agency, did Mr. Galibois, by himself or in conjunction with any other person, buy, stake, or otherwise gain control over any land on or near the so-called traditional reserve and, if so, has the government reviewed the circumstances under which the land was so purchased?

INTERNATIONAL LABOUR ORGANIZATION CONVENTIONS

Question No. 1,026—**Mr. Gregoire:**

1. Since 1919, how many conventions adopted by the international labour organization has Canada approved and what were they?
2. What international labour organization conventions have not been approved, and what are the grounds in each case for withholding approval?
3. Has the Canadian government invited provincial government representatives to act as delegates to international labour organization conferences?
4. If so, when, and who were the delegates and, if not, for what reason?

Mr. Hales: Return tabled.

PUBLIC WORKS PROJECTS, DORCHESTER CONSTITUENCY

Question No. 1,028—**Mr. Boutin:**

1. In the 1962-63 estimates, what federal public works were provided for Dorchester constituency?
2. What are the federal works presently proceeding in Dorchester constituency, and what is the amount of money involved in the execution of these works?
3. Has the Prime Minister received representations concerning the cancellation of public works projects in Dorchester constituency and, if so, what was the nature of such representations and by whom were they made?
4. Does the government intend to act on any representations received recommending the cancellation of any public works in Dorchester constituency?

PROPERTIES RENTED BY FEDERAL GOVERNMENT, VANCOUVER

Question No. 1,036—**Mr. Laing:**

In the city of Vancouver (a) how many properties are leased or rented by the government of Canada and all its agencies (b) in 1961, what total rents were paid on all the properties and (c) in 1961, what total rent was paid by the C.B.C.?

INDIAN AFFAIRS—AMOUNT SPENT ON RESEARCH

Question No. 1,047—**Mr. Pickersgill:**

1. How much has been spent since April 1, 1957, in each fiscal year, on research into Indian affairs?
2. What research projects have been carried out since April 1, 1957?
3. What steps have been taken as the result of these research projects?

MOTIONS FOR PAPERS

SECURITY INVESTIGATIONS OF UNIVERSITY TEACHERS

Motion No. 49—**Mr. Matheson:**

That an order of the house do issue for a copy of any letter or letters from the Canadian association of university teachers to the government since January 1, 1962 respecting security investigations as they presently affect association members.

Mr. Fleming (Eglinton): There is no objection, Mr. Speaker.

Motion agreed to.

DUTIES ON IMPORTED FISH FEED

Motion No. 50—**Mr. Douglas:**

That an order of the house do issue for a copy of all correspondence relative to duties imposed on imported fish feed exchanged between the ministers and/or departments of finance and national revenue, and persons and/or organizations since January 1, 1960.

Mr. Grafftey: Mr. Speaker, I would like to thank the hon. member for agreeing to stand his motion in the absence of my minister.

Motion stands.

VANCOUVER—ADVISORY COMMITTEE TO HARBOUR MASTER

Motion No. 51—**Mr. Douglas:**

That an order of the house do issue for a copy of all correspondence between the government and persons or organizations relative to the establishment of a local advisory committee to the Vancouver harbour master.

Motion agreed to.

NEW WESTMINSTER HARBOUR BOARD

Motion No. 52—**Mr. Douglas:**

That an order of the house do issue for a copy of all correspondence between the government and persons or organizations relative to the establishment of a Fraser river port authority, or an enlarged New Westminster harbour board, to replace the existing New Westminster harbour board.

Motion agreed to.

REPLACEMENT OF NORTH FRASER HARBOUR COMMISSION

Motion No. 53—**Mr. Douglas:**

That an order of the house do issue for a copy of all correspondence between the government and persons or organizations relative to the establishment of a Fraser river port authority, or an enlarged New Westminster harbour board, to replace the existing north Fraser harbour commission.

Mr. Balcer: Mr. Speaker, my office has explained to the hon. member's office that the replacing of the North Fraser harbour commission is not being considered and that there is no correspondence on the subject. In the circumstances maybe the hon. member would wish to withdraw his motion.

Mr. Douglas: I agree, Mr. Speaker.

Order discharged and motion withdrawn.

REPORT ON FORT ST. JOHN INDIAN AGENCY

Motion No. 54—**Mr. Howard:**

That an order of the house do issue for a copy of any reports of conditions at the Fort St. John Indian agency and in particular the situation at Prophet River since January 1, 1962.

Mr. Bell (Carleton): Mr. Speaker, the hon. member most co-operatively has agreed that this motion may stand.

Motion stands.

DOMINION-PROVINCIAL CONFERENCE ON INDIAN AFFAIRS

Motion No. 55—**Mr. Pickersgill:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all communications received by the government or any member thereof since July 8, 1961 regarding the recommendation of the joint committee on Indian affairs that "Indian affairs should be the subject of a dominion-provincial conference in order that such matters may be transferred to provincial jurisdiction as may be mutually acceptable to the Indian people, provincial and federal authorities"; together with copies of any replies made thereto.

Mr. Bell (Carleton): Mr. Speaker, the consent of any provincial authorities will be required. Subject to this and any privileged communications, I have no objection to the motion.

Mr. Speaker: Subject to the reservations indicated by the minister, is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

TRADE

OIL—REPORTED U.S. INTENTION TO RESTRICT IMPORTS

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I would like to ask

the Minister of Trade and Commerce is he in a position to make a statement to the house on the effect on Canada's oil policy of the proclamation by the President of the United States, which I understand was made over the week end, bringing Canada within the limits of a new United States oil import control system?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, it would be impossible to make such a statement at the present time. We shall be meeting officials of the United States government here in Ottawa on next Thursday, the 13th, for discussions, and there should be something to report at the following meeting of parliament.

Mr. Pearson: As a supplementary question may I ask the minister whether the Canadian government was consulted before this step was taken in Washington?

Mr. Hees: Mr. Speaker, we were not consulted. To my knowledge no definite action along this line has been taken yet. These matters will all be discussed with us when the United States officials come here to Ottawa, but it is my understanding that no action has as yet been taken.

Mr. T. C. Douglas (Burnaby-Coquitlam): Can the Minister of Trade and Commerce tell us whether the quotas which are proposed are in excess of the usual imports of Canadian oil into the United States?

Mr. Hees: It will not be until after the United States officials arrive here for these discussions that we shall know just what the proposals are or how they would affect Canada. Then the whole matter will be discussed between the representatives of the two governments.

(Translation):

WORLD FAIR, MONTREAL—ESTABLISHMENT OF CROWN CORPORATION

On the orders of the day:

Mr. Vincent Drouin (Argenteuil-Deux Montagnes): My question is directed to the Associate Minister of National Defence.

Can the minister tell us if an agreement has been reached by the federal, provincial and municipal governments with regard to the establishment of a corporation that would be responsible for the 1967 world fair, to be held in Montreal?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, in reply to the hon. member's question, I wish to say that the lawyers of the three governments in question are studying the bill that will be introduced in this house.

[Mr. Pearson.]

We hope that they will soon come to an agreement, because we wish to submit the bill to parliament as soon as possible in order to put into operation everything needed for the world fair.

(Text):

Mr. Alan Macnaughton (Mount Royal): This is a supplementary question. I had a similar question to address to the Associate Minister of National Defence. In his reply the hon. gentleman used the words "as soon as possible". May I ask him if by the use of those words he meant within the next few days or within the next few weeks, because according to the minister's own statement speed is essential.

Mr. Sevigny: In answer to that question, we hope to have everyone in agreement concerning the terms of this bill within the next few days, and in that case there should be no delay in getting on with this measure. I share the desire of the hon. member that this crown corporation should be formed at the earliest possible moment in order to get things moving.

FEDERAL EXHIBITS AT NEW YORK AND CANADIAN WORLD'S FAIRS

On the orders of the day:

Mr. John H. Addison (York North): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce. Is it the intention of this government to enter an exhibit at the New York world fair and at Canada's world fair?

An hon. Member: Paul Martin.

Hon. George H. Hees (Minister of Trade and Commerce): I hear the suggestion that we exhibit the hon. member for Essex East, but I think that might be too startling for those who attend. Mr. Speaker, this matter is under consideration.

TOBACCO—INQUIRY AS TO MARKETING OF ONTARIO PRODUCTION

On the orders of the day:

Mr. R. C. Honey (Durham): I have a question for the Minister of Agriculture. Perhaps in his absence one of his colleagues or one of the parliamentary secretaries can answer. In view of the present critical situation resulting in the closing of markets for the sale of flue cured tobacco in Ontario, can the minister advise if the government will enter into an agreement under the provisions of the Agricultural Products Co-operative Marketing Act for the marketing of flue cured tobacco produced in the province of Ontario in 1962?

Mr. Speaker: Order. Perhaps the hon. member would be good enough to consult *Hansard* and see the ruling made with regard to a similar question yesterday asked by the hon. member for Essex South.

Mr. Honey: On a point of order, if I may—

Mr. Speaker: On this matter of the determination of the importance of the question, the ruling of the Chair is made.

[*Later:*]

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, in the absence of the Minister of Agriculture may I ask his parliamentary secretary whether any changes are contemplated in the government's policy regarding tobacco marketing.

Mr. W. H. Jorgenson (Parliamentary Secretary to the Minister of Agriculture): Mr. Speaker, as the hon. member knows, whenever a change of policy is made it is announced in the house in the usual manner.

[*Later:*]

Mr. Honey: Mr. Speaker, with your permission, I have rephrased the previous question and I should like to ask it of the parliamentary secretary to the Minister of Agriculture. Has the request of the Ontario flue cured tobacco growers marketing board, dated October 24, 1962, for an agreement under the provisions of the Agricultural Products Marketing Act, been approved or rejected by this government?

Mr. Jorgenson: Mr. Speaker, the answer I gave to the question asked by the hon. member for Norfolk (Mr. Roxburgh) applies in this case as well.

(Translation):

LABOUR RELATIONS

NORRIS COMMISSION—ALLEGED REFUSAL OF EVIDENCE IN FRENCH

On the orders of the day:

Mr. Maurice Rinfret (St. James): My question is directed to the Prime Minister, who has been informed of my intention to ask it.

Is the Prime Minister aware that, during a hearing of the inquiry into the activities of the seafarers' international union before Judge Norris, a French speaking witness was accused of obstructing proceedings because he insisted on giving evidence in French?

Would the Prime Minister have any comments with regard to this matter, in view of the bill of rights?

Mr. Speaker: Order. I am afraid that it would not be in order to comment on developments before a court of justice.

Mr. Rinfret: Mr. Speaker, my question—

Mr. Speaker: I am sorry, but the question is not in keeping with standing orders.

Mr. Rinfret: If I may, Mr. Speaker—

Mr. Dupuis: On a point of order.

Mr. Rinfret: Mr. Speaker, the question does not deal with the inquiry commission as such, nor with its subject, but simply with this procedure.

Mr. Speaker: Neither procedure nor comments by judges or witnesses can be accepted as matter for questions on the orders of the day.

CANADIAN NATIONAL RAILWAYS

REQUEST FOR GREATER FRENCH CANADIAN REPRESENTATION

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Prime Minister. Does the Prime Minister have any comments to make following the visit, some time ago, of University of Ottawa students or could he tell us what he replied when they asked him for adequate French Canadian representation at the C.N.R.?

Mr. Speaker: It is not proper, on the orders of the day, to ask questions concerning events of that sort.

QUEBEC—POSSIBLE LAY-OFF OF EMPLOYEES

On the orders of the day:

Mr. Robert Beaule (Quebec East): Mr. Speaker, I should like to address a question to the Minister of Transport. Will the agreement between the Canadian National Railways and the truckers' association in the province of Quebec lead to the dismissal of C.N.R. employees, in the province of Quebec?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I am convinced that this agreement was not signed for that purpose.

PRIVILEGE

MR. ENGLISH—DEMONSTRATION IN FRONT OF PARLIAMENT BUILDINGS

Mr. Roland English (Gaspe): Mr. Speaker, following the demonstration which took place this afternoon—

Mr. Speaker: Order.

Mr. English: I rise on a question of privilege Mr. Speaker.

Inquiries of the Ministry

I must say that some time ago all political parties were called together in order to protest against the lack of French Canadian representation on the C.N.R. board of directors. I was among those who protested. That matter was to be discussed regardless of party affiliation. However, I note that certain members attended the demonstration and even addressed the demonstrators. Consequently, it is my duty to protest, because they acted as the standard bearers of that group.

Mr. Yvon Dupuis (St. Jean-Iberville-Napierville): Mr. Speaker, I must tell the hon. member that Conservative members also attended that manifestation.

Mr. English: Mr. Speaker—

Mr. Speaker: Order.

Mr. English: Out of the six speakers, there was only one—

Mr. Speaker: The hon. member will recognize that in addition to the rules, certain practices are in force in the house, and that they must be adhered to.

As to the point of order, the hon. member has explained that he did not take part in a certain manifestation, and the matter should rest there.

(Text):

FINANCE

NEWFOUNDLAND—ELIMINATION OF LIVING ALLOWANCE TO ARMED FORCES AND R.C.M.P.

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): I have a question to ask the Minister of Finance, a copy of which has been sent to him. In his absence, however, may I direct it to the parliamentary secretary. Would the hon. gentleman advise whether the government is contemplating revoking the living allowance paid to members of the R.C.M.P. and armed forces stationed in Newfoundland?

Mr. Heward Grafftey (Parliamentary Secretary to the Minister of Finance): My answer is that the question is based on straight conjecture and if—I underline the word "if" —any decision were made in this regard it would be announced in the normal way.

(Translation):

SECRETARY OF STATE

REPORTED VACANCIES IN BUREAU OF TRANSLATIONS

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): My question is directed to the Secretary of State.

[Mr. English.]

Is the minister aware that there are now some twenty vacant positions in the bureau for translations?

(Text):

Hon. G. E. Halpenny (Secretary of State): I shall make inquiries about this matter.

(Translation):

ALLEGED ERROR IN TRANSLATION OF FRENCH QUESTION

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a question of privilege in connection with question 1,042 which was answered a few moments ago. I think I should have put the question in both languages, thus implementing true bilingualism myself for the question, as it was asked in French, was as follows:

Y a-t-il des Canadiens français au sein du conseil d'administration de la compagnie des chemins de fers Nationaux du Canada?

While in English, it reads as follows:

(Text):

Are there any French Canadians among the directors of Canadian National Railways?—

which is not the real translation.

(Translation):

The reply was given according to the English translation rather than the French original. Therefore, I ask that the question be put back on the order paper.

Mr. Speaker: I shall have to check if the translation of the question has to be corrected. I do hope that, within a few days, so that such incidents and, if any, such errors will not happen again, we shall be able to submit to the house a program showing in what language the questions have been asked, and those questions would be answered in the same language.

Meanwhile, I would tell the hon. member that a minister may give his answer in the language of his choice.

Mr. Prittie: Was the question asked in French or in English?

Mr. Gregoire: It was asked in French, Mr. Speaker.

Mr. Balcer: The question was answered in French.

Mr. Gregoire: The answer was given according to the English version, which does not have the same meaning as the question asked in French.

Mr. Speaker: There is no use arguing. I take the question with reservation and we shall see to it that an amended answer be given if necessary.

(Text):

BUSINESS OF THE HOUSE

INQUIRY AS TO MEETING OF PRIVILEGES AND ELECTIONS COMMITTEE

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the hon. member for St. Mary in his capacity as chairman of the committee on privileges and elections, and ask him, in view of the importance of some of the matters which have been referred to it, when that committee will be meeting.

Mr. Georges Valade (St. Mary): I do not know whether I am in order in answering this question, but the subcommittee on the agenda has met and will inform the members of the committee when the sitting will be held. At that time we shall report on the procedure, at this first meeting.

MEETING OF PARTY LEADERS TO PREPARE AGENDA

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I direct my question to the Prime Minister. In view of the fact that on November 27 the right hon. gentleman stated that he intended to call the leaders of the different parties together to discuss an agenda and ways and means of speeding up the work of this house, and on November 29 he again gave the house his assurance that this would be done as soon as the leader of the Liberal party returned, would the Prime Minister inform the house when he intends to call such a meeting?

Right Hon. J. G. Diefenbaker (Prime Minister): There have been negotiations and discussions going on between the leader of the house and the representatives of the various parties. The results of these negotiations have been transmitted to me, and I am asking that the leaders gather together tomorrow morning at 9.30.

NATIONAL DEFENCE

NUCLEAR WEAPONS—REFERENCE TO STATEMENT BY EXTERNAL AFFAIRS MINISTER

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Secretary of State for External Affairs a question based in part on the reply of the Prime Minister yesterday with regard to the possession by Canadian armed forces of nuclear weapons? Will the minister explain his reported statement to a Vancouver student audience that Canada may be forced to arm with nuclear weapons?

Inquiries of the Ministry

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I made the same statement there that I made to the Voice of Women organization here in this building a few weeks ago; I am not sure whether or not the hon. member for Essex East was among those women. At that time I said that no guarantee could be given by any government of Canada to the effect that there would never be nuclear weapons in Canada. It would depend on world conditions.

Mr. Martin (Essex East): May I ask the hon. gentleman if, when he addressed the women who constitute this organization, the Minister of National Defence was present?

Mr. Green: No, I was doing the speaking to those people on that occasion.

Mr. David Lewis (York South): Can the minister inform the house whether his statement to the Voice of Women and to the students in British Columbia represents a change in the policy of the government opposing nuclear weapons in Canadian hands?

Mr. Green: No, Mr. Speaker, there has been no change.

Mr. Thomas R. Berger (Vancouver-Burrard): Can the minister tell the house whether the government has decided in what circumstances it would require nuclear weapons?

Mr. Speaker: That is quite hypothetical.

Mr. Green: I think this is hardly the occasion for a debate on this question.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Raymond Rock (Jacques Cartier-Lasalle): Mr. Speaker, I should like to direct a question to the Prime Minister having to do with an article appearing on the front page of this morning's *Gazette* headed "Incompetence of some M.P.'s Ottawa Shock". Is the defeated Conservative member John Pratt rewriting his own biography in order to become the new leader of the Conservative party?

Some hon. Members: Oh, oh.

Mr. Speaker: Order. The Chair heard the question, but the Chair will tell the hon. member that according to the rules of the house his question was most improper.

INQUIRY FOR RETURN

TRANSPORT DEPARTMENT FLIGHTS

On the orders of the day:

Miss Judy V. LaMarsh (Niagara Falls): Mr. Speaker, I should like to ask a question of the

Minister of Transport. Will the minister advise the house when he will be in a position to table the answer to question No. 403 standing in my name, which appeared on the order paper on October 22 and was passed as an order for return one month ago today?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I am speaking from memory, but I think this has been answered, and the order for return was tabled quite a long time ago.

Miss LaMarsh: A supplementary question. I wish to advise the minister that as of two o'clock today it was not filed, and I would ask the minister to see that this question is at once answered.

Mr. Balcer: I will be very pleased to do so.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO BALANCE IN FUND

On the orders of the day:

Mr. J. C. Munro (Hamilton East): Mr. Speaker, my question is directed to the Minister of Labour, notice of which I gave him this morning. Would the minister advise the house as to the credit balance, as of November 30 last, in the unemployment insurance fund account?

Mr. Speaker: Order. The hon. member will know that questions of a similar type have not been accepted on orders of the day. They are asking statistical information, which the hon. minister is not expected to have at hand.

(Translation):

PARLIAMENT HILL

REQUEST FOR BILINGUAL POLICE OFFICERS

On the orders of the day:

Mr. Gerald Laniel (Beauharnois-Salaberry): Mr. Speaker, I should like to direct my question to the Minister of Justice (Mr. Fleming). Does the minister think that all R.C.M.P. officers on duty on parliament hill should be bilingual?

Mr. Speaker: Order. I must point out that such a question cannot be asked on the orders of the day.

(Text):

CANADIAN CENTENNIAL

INQUIRY AS TO APPOINTMENT OF COMMISSION

On the orders of the day:

Mr. C. M. Drury (St. Antoine-Westmount): Mr. Speaker, I should like to direct a question to the Prime Minister arising out of an answer he gave today which indicated that the commissioners of the national centennial administration had not yet been appointed. Since it has been some time since the legislation was passed—

Some hon. Members: Order.

Mr. Drury: —could we hope for an appointment before Christmas?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, we hope to have these gentlemen on the payroll very shortly.

[*Later:*]

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to address a supplementary question to the Prime Minister. Does the Prime Minister, as head of the government of Canada, not think he owes a serious reply to the question put by the hon. member for St. Antoine-Westmount, instead of the insolent and irresponsible reply he made a few moments ago?

Some hon. Members: Oh, oh.

Mr. Speaker: Order. With the greatest deference to the hon. member for Essex East, I think with his experience he knows that the latter portion of his question was quite improper. There is no case for an hon. member to comment upon the nature of a reply given by any minister.

Some hon. Members: Withdraw.

Mr. Speaker: Under those circumstances the remarks of the hon. member in that regard were quite improper, and I think he knows it.

Mr. Martin (Essex East): Mr. Speaker, the hon. gentleman—

Some hon. Members: Order.

Mr. Martin (Essex East): Hon. gentlemen may not like it, but I am going to speak in spite of this obstruction from the government benches.

Mr. Speaker: I trust the hon. member will speak on the point of order as to the propriety of commenting.

Mr. Martin (Essex East): Mr. Speaker, you will permit me to make my own remarks on the point of order, and in my own way, and then Your Honour may comment upon them.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): I have noted what Your Honour has said. The hon. member for St. Antoine-Westmount asked the Prime Minister a question with regard to an important event in the life of this nation, namely the occasion when we shall celebrate our centenary. That question having been addressed to the Prime Minister, the head of the government, it did not warrant from him the

flippant answer which he gave. If words I used in description of this situation offend Your Honour's interpretation of the rules, I gladly withdraw them. However, I am sure Your Honour will understand the provocation.

Mr. Speaker: I am satisfied that the hon. member has withdrawn his words. While we all recognize that perhaps the nature of a question or a reply may be out of line, nevertheless it is quite the practice of this house that one cannot and does not express those feelings.

FISHERIES

REPORTED RECOMMENDATION RESPECTING JAPANESE FISHING IN NORTH PACIFIC

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wonder whether I might direct a question to the Minister of Fisheries. My question is based on one which I posed to the minister on November 29 with respect to certain recommendations of the north Pacific fisheries commission. At that time the minister indicated that he had not yet had the recommendations of the commission, and I am wondering whether he can indicate whether he has them now.

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, there is no change in the answer I gave on the previous occasion. I might add that these reports of the commission go to my colleague the Secretary of State for External Affairs in the first instance.

Mr. Howard: Then might I ask a supplementary question and address it to the Secretary of State for External Affairs. May I ask him whether he has on hand or has received the recommendations of the north Pacific fisheries commission?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I will have to take that question as notice.

HIGHWAYS

DISCUSSIONS RESPECTING SECOND TRANS-CANADA HIGHWAY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, somewhat as a cooling off interlude I wish to direct a question to the Minister of Public Works. I apologize for not having given him notice of it. Can the minister inform the house whether there have been any discussions whatever between officials of this government and officials of any provincial governments with respect to the possible location of a second trans-Canada highway?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, that question takes in a great deal of territory. I have not searched the files. However, I think the answer to that question would be yes. I should not care to go further than that. There have been discussions.

EXTERNAL AFFAIRS

INQUIRY AS TO SALE OF CANADA HOUSE

On the orders of the day:

Mr. John R. Matheson (Leeds): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. Was the government consulted as to its future requirements in Canada House prior to its recent sale to Americans?

Mr. Speaker: Order. I think that question should go on the order paper.

TRANSPORT

CORNWALL, ONT.—LEAK OF CHLORINE GAS FROM RAILWAY TANK CAR

On the orders of the day:

Mr. Lucien Lamoureux (Stormont): Mr. Speaker, I should like to direct to the Minister of Transport a question of which I have given him prior notice. It is further to the question which I asked of the minister on Monday and to which he then replied. Will the minister advise whether he has now received a report from the board of transport commissioners following the inquiry which has been conducted into the chlorine gas accident which occurred in Cornwall on Friday last?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, a preliminary inspection of the car was made at Cornwall by officers of the board and others. As a result of the disclosures during this inspection, the car is being removed to Montreal where the necessary facilities are available to enable a more thorough inspection to be made. The board is not in a position to indicate the result of the investigation at the moment.

COPYRIGHTS

INQUIRY AS TO INTRODUCTION OF NEW LEGISLATION

On the orders of the day:

Miss Judy V. LaMarsh (Niagara Falls): Mr. Speaker, I have a question for the Secretary of State. Now that he has had an opportunity to settle into the responsibilities of

that office will he advise the house whether he is preparing for consideration by the house a new copyright act during the fiscal year which will conclude at the end of March next, in accordance with the promise given by his predecessor that one would be introduced for consideration at this session?

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, as I said before, this matter is under consideration.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES APPOINTMENT OF MEMBERS, ETC.

Hon. H. J. Flemming (Minister of National Revenue) moved the second reading of Bill No. C-94, to provide for the establishment of an Atlantic development board.

Mr. Speaker: Will hon. members who are going to leave the chamber please do so in order that the Chair may recognize anyone who is going to speak.

Some hon. Members: Carried.

Mr. Pickersgill: Has the minister anything to say?

Mr. Flemming (Victoria-Carleton): Mr. Speaker, on the motion for second reading of the bill to provide for the establishment of an Atlantic development board I wish only to thank hon. members from all quarters in the house for the interest they have all taken in the bill and the comments that have been made, some of which were constructive in character.

I do not believe that any points have been raised to which I at this moment wish to make reference, although I believe some observations have been made which would lead to a somewhat detailed discussion of a somewhat political nature if I were inclined to do so. I do feel that the subject and the possibilities of this board are sufficiently important and sufficiently extensive that, without any particular loss to this house so far as information is concerned, I might just pass them by.

The principle of the bill now before us for second reading is well known. The comments that have been made in the house in connection with the special situation of the Atlantic provinces are likewise, I believe, of general acceptance. My opinion is that we are asked by the motion to approve the principle and I doubt that there is very much objection to such approval of the principle.

I do not think that we in the maritimes should emphasize the disabilities with regard to which we may be having some difficulty in an economic sense. It has always been my opinion that we who are fortunate enough to have been born and lived in those provinces down by the sea should emphasize the advantages we have rather than emphasizing to an undue degree the disabilities of living in a fringe area of a great nation. I think we can do much better for ourselves if we adopt such an attitude, always keeping in mind, however, that the special privileges and rights inherent in all agreements made previously with the central government should be brought to the attention of the central government from time to time.

Yesterday the hon. member for Gloucester (Mr. Robichaud) put on record certain specific questions which he asked me to answer. I am quite prepared to answer them but I venture the observation that this would lead to nothing except a discussion of a political nature in which he and his party would come off second best. That is my feeling. Therefore, with that in mind I do not propose to remind him of certain things. He has been a member of the house since 1953. He is a veteran of the house. I do not know how much pressure he brought to bear on the government of which he was a supporter when they were in office. I do know something of the results that were achieved, and those results were practically nil. I will give him full marks for his effort but I am sure he will have to acknowledge that the efforts of the government which he supported and which held office prior to the present administration were not productive of results to any great degree.

I know that some members will say: Oh, yes, but we had the equalization grants, and so on. I emphasize that the real principle which we are debating at the present time and in regard to which I am offering these comments is that there shall be a board established with certain duties devolving upon it. Those duties, I submit, and I am sure those who have read the bill will agree, are of a very broad and flexible nature, and so they should be. Some hon. members have suggested, and I believe that to a certain degree at least this was recommended by the commission on Canada's economic prospects, that a board or commission should be established and a certain fixed amount of public funds should be placed in their hands for disposal, but to me that is an abrogation of the principle of responsibility. I do not feel that any parliament should delegate powers of that nature.

But what are we doing under this legislation? We are providing the machinery by which an examination may be made of any promising situation existing in the Atlantic provinces. That is exactly what we have not had up until now. No one knows better than some members of this house the many trips to Ottawa made by representatives of each of

the provinces in the eastern part of Canada for many years now for the specific purpose of bringing certain things to the attention of the authorities. In that regard I would say that generally speaking, regardless of the political complexion of the government which has brought these matters to the attention of the central government, they have all had a degree of merit and have deserved consideration.

But after you get through the maze of departmental activity in Ottawa and finally find the proper department, you possibly run into a situation that again presents a difficulty not easily to be surmounted. This all adds up to a tremendous loss of time and the greatest of difficulty. Then these representatives return to their respective provinces and become engrossed in their day to day duty. I am speaking of men in public life now.

Mr. Nicholson: Will the minister permit a question?

Mr. Flemming (Victoria-Carleton): Yes, indeed.

Mr. Nicholson: Will the maze not be added to if we continue to have these economic development boards? We will have one for the Atlantic provinces, another nationally and in addition the extension of the national productivity council.

Mr. Flemming (Victoria-Carleton): My answer to the hon. member for Vancouver Centre is definitely in the negative, and I will try to explain to the satisfaction of my hon. friend and the house why I say this. In my view there are many promising situations, some of which I skipped over quite lightly yesterday. If a board is set up as envisaged by this legislation and if that board has certain fixed duties and responsibilities, even though they are flexible and even though they are broad, there will be some assurance that if proposals have been proven to be economically sound after investigation and are finally put before the central government, as I would hope some such proposals would be, they will have received a thorough examination and the department concerned or the government or cabinet, call it what you will, will be confident that they have had a certain degree of examination and will be prepared to deal with them in a minimum of time. That is the reason why I answered categorically and quickly to the question asked by my hon. friend, who I know is interested in the maritimes and has not asked the question to embarrass me or anyone else.

Now, Mr. Speaker, referring again to the matter of investigation, I may say it is envisaged that this body shall have authority to engage the services of experts in certain fields who may be available in Ottawa in the various departments, and there are many of them, or this body may employ consultants and engage anyone they think has specialized knowledge concerning the particular matter under investigation. I am very certain that the fact they have that kind of power delegated to them is going to place them in a position where they will be able to act quickly, and with a minimum loss of time investigate any promising situation which, after careful examination, they feel is deserving of consideration.

Within the last 24 hours, I have received quite a few telephone calls. May I say to you, Mr. Speaker, that they have come from every one of the Atlantic provinces. These people did not call for the purpose of saying what a great thing the Atlantic development board act would be. Generally speaking, they said, when do we get the board established and when will we be able to bring to the board's attention these promising situations? In my opinion, this was a very healthy sign signifying the ultimate success of this board.

Now, Mr. Speaker, the motion is that the bill receive second reading. I do not believe there is much more I can say at the moment that would be very illuminating. The principle of the bill is involved here and I believe all members of this house are in favour of the principle. I do not think there is any question about that. However, I would not say that there might not be the odd section that might not be capable of amendment because I think that it takes the combined knowledge of everyone to think of everything. I am rather of the opinion, therefore, that there may be some sections that we might properly consider amending slightly. As a matter of fact, I have one such amendment in mind at the moment.

Since we are talking about the principle, and since we are talking about the general idea that we want to do something, I wonder if it would not be a good idea to forget everything that has happened prior to 1962 or even prior to December 5, 1962. Let us go forward with this bill. Let us consider it in the light of the possibilities that may be embodied in the bill, the things that it may accomplish. If we devote our time to finding fault with the bill and finding fault with each other or engaging in a political hassle, which is not uncommon in the maritimes and other parts of Canada, then I have no doubt that we might consider the activities and results of this board may not amount to a great deal. If we make up our minds that we are not going to worry about who gets the credit for it but we are going to go ahead to ensure that this board will be able to investigate situations and finally come up with solutions

which may be of benefit to our part of Canada, then that will be a good thing to do and will produce beneficial results.

So, Mr. Speaker, I think that is all I have to say on second reading. I would hope the house would agree unanimously on the principle. I think all hon. members do. Then, we can go into committee and discuss the various sections of the bill itself. It would be my hope that discussion might be expedited as much as possible, with due regard for the rights of every member to express his opinion, to express his interest and to suggest improvements, as long as those suggestions are based on the general idea of wanting to be helpful and not obstructive. Thank you, Mr. Speaker.

Mr. Deputy Speaker: Order. I should remind the house that, although hon. members were not cautioned previously the minister, in speaking on second reading, closes the debate. I am sorry, I take it he opened the debate on second reading. I apologize to hon. members.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to open my remarks in a way that I did not intend to do. I do not believe that Your Honour, Mr. Deputy Speaker, ever needs to apologize to the house. We do appreciate the ready way in which you always acknowledge any slight slip that there may be. We also appreciate the tolerance and good spirit with which you conduct the proceedings whenever you occupy the chair, either in the house or in committee.

I listened with great interest to the debate in committee yesterday, and I listened with interest to the Minister of National Revenue (Mr. Flemming) or the Minister of Forestry, I do not know which he prefers to be called. This afternoon, he was being his most seductive. He is always pretty good when he is seductive, but he is not always seductive. I have seen the minister in this house when he was rather combative and it may be that before this debate is over he will not be quite as seductive as he was at the beginning.

We do appreciate the spirit in which the minister, not some of his colleagues in the house, has proceeded so far this afternoon and I shall attempt to speak in as dispassionate and objective a way as I can. There is one thing I should like to point out at the very outset—

Mr. Martineau: The sugar-coated pill.

Mr. Pickersgill: If the minister of mines could just stay underground until his turn to speak comes, I think it might facilitate progress. I should perhaps remind the minister of mines that since I have unlimited time his interruptions will not interfere in any way with my freedom of speech.

Mr. McGrath: When it comes to digging holes he can take a few lessons from you.

Mr. Pickersgill: The hon. member for St. John's East seems to have been exceedingly uncomfortable during the last two days. Perhaps if he could just calm himself and possess his soul in patience he would have an opportunity, later in this debate, to deliver the second half of that eloquent speech of which we heard the first half last night.

As I was saying, sir, the evidence of our co-operation is that although the minister said the bill was well known the fact is that no member of the house had any opportunity to know anything about the bill, except the minister and members of the ministry, until one o'clock today. I sought to get it early this morning, knowing I was going to speak in this debate, but I was told it would not be available for distribution until one o'clock. My first impulse was to protest to the house leader and suggest that some other business be taken up; but then I thought, as it turned out rightly, that it would not be very hard to absorb all that was in the bill between one o'clock and the time the house sat at 2.30. Therefore I made no protest and I am not making any now; but I would like to remind hon. members that a few days ago, when discussing the business of the house, the Prime Minister said as reported at page 2009 of *Hansard:*

> The legislation is available. We are ready to present it. If hon. members do not think so just let them pass this supply and pass these bills one after the other, and they will get them fast.

This is one bill we did not get fast, and it is not the only one; and I think it would be a good thing if an effort could be made to arrange business in such a fashion that all hon. members who wish to participate in a debate would have the bill in time to read it and develop arguments based upon it.

The minister made one or two observations to which I would like to refer in reply, but only in reply, before I deal with the content of the bill itself. He made an appeal today, as he did yesterday, for non-partisan consideration of the bill. Well, sir, I make no apology for not responding to that appeal. However, I think I know what the minister really meant. He meant a temperate and reasonable discussion.

But the essence of parliamentary government is that we do have parties and the parties do stand for something and do differ. I must say personally I deprecate the suggestion that is so often made that, because there are

political differences, which are the very essence of British freedom, that there is something wrong about that. I make no apology for differing with the government about certain things and I have never, that I can recall, taken any exception to anyone who differed with me. I may have felt sometimes those who differed were foolish but I never doubted they had a perfect right to differ.

The minister also made an appeal that we should forget everything that happened before December 5 and in view of the speeches that were made—I except the minister's own speech—by other hon. members on the opposite side of the house last night, I am not surprised that the minister would like us to forget what happened yesterday; and I think some of the hon. members who participated from the other side of the house might be happy also. I am not going into any detail about anything any of them said.

Mr. McGrath: Why not?

Mr. Pickersgill: Because I am responding to the appeal made by the minister, for whom I have more respect than I have for the honourable and excited member for St. John's East. The minister asked us not to go into these things and I agree with him that long and arid debates about what happened in 1935 or in 1953, 1957 or even in 1960, are not going to get us very far, but I do think the minister would not expect, as a reasonable man, that certain statements of alleged fact would be unnoticed, and there are one or two of them which I certainly intend to notice.

The minister referred to my hon. friend from Gloucester and to some of the things he said. He referred to the fact that my hon. friend came into the house in 1953. That is a rather sensitive point with me because so did I, and whatever my hon. friend from Gloucester may have done to try to bring the situation in the Atlantic provinces before the government, if he was not successful, I am more to blame than he is because he was just a member of parliament and I was a minister. Therefore anything the minister applied to the hon. member for Gloucester I take as applying to myself; and I am not ashamed at all of what happened.

In those years the minister was the premier of the province of New Brunswick, but in his present capacity as Minister of National Revenue he has said that the results achieved by my hon. friend from Gloucester, and other hon. members who at that time were supporting the government, were practically nil.

Mr. Flemming (Victoria-Carleton): May I make a correction?

Mr. Pickersgill: Yes.

Mr. Flemming (Victoria-Carleton): I said the considerations of a special nature were practically nil.

Mr. Pickersgill: The minister is trying rather skilfully to get out of a situation the dangers of which I think he recognizes. Of course it can be argued that the whole principle of equalization was not a consideration of a special nature for the Atlantic provinces, because it was also of great importance to the province where I was brought up and spent half my life, the province of Manitoba. To no province was it of greater importance than to the province of New Brunswick because, as the minister well knows, there was no other province, not even Saskatchewan, except perhaps in its very worst days, that had a lower tax potential and therefore benefited more from the application of the principle of equalization than New Brunswick did.

The principle of equalization, which was applied for the first time in 1957 as a result of the legislation of 1956, resulted in the greatest single increase in tax transfers that ever took place in the whole history of these various transactions.

I was very pleased to hear the excellent observations made yesterday, and I thought made very well, by the hon. member for Cape Breton South (Mr. MacInnis) who I think all of us would agree, whether we agree with him politically or not, is one of the most promising of the new members of the house, and I do not use "promising" in any invidious sense. I say I am proud to have been a member of a government which introduced that principle of equalization, which we thought would remain in force unitl some better system could be devised, but I would hate to belong, as the minister does, to a government that scrapped it.

Mr. Flemming (Victoria-Carleton): We made an improvement.

Mr. Pickersgill: The minister says they made an improvement. Well, I am not going to enter into any debate, but the minister knows very well that the only way in which they covered up the fact that they had scrapped the principle of equalization was by making an increase in the Atlantic provinces grant which temporarily obscured the other point, but did not obscure it for Saskatchewan as the hon. member for Burnaby-Coquitlam (Mr. Douglas) well knows, and also did not obscure it for Manitoba. I have sometimes wondered, especially after reading *Maclean's* magazine today, whether perhaps it was not Manitoba they had really in mind and whether some hon. members on the treasury benches—and I am not accusing the

minister—who devised the system for Manitoba might not have thought a little knife in the back of the premier of Manitoba would not do him any harm. That, I recognize at once, while of great interest to you and me, Mr. Speaker, is not very relevant to the bill and I can assure you that I do not intend to pursue this line.

Mr. McGrath: It is all so cheap.

Mr. Pickersgill: I wonder if we could arrange for the timing of the interruptions of old faithful so that I could pause in order that they might have their full effect on the house.

The minister said something else about which I want to say a word. He said that with the exception of the tax equalization there was nothing else he could think of. I believe that statement should not be allowed to go unchallenged. It was fairly well answered last night by the hon. member for Gloucester after the hon. member for Saint John-Albert, who is the most helpful member to us on the other side of the house, had asked one of those questions which gave an opportunity for an answer, and I will draw that answer to the attention of the minister.

Mr. Bell (Saint John-Albert): I do not mind helping the hon. gentleman because there is nobody around here who needs help more than he does.

Mr. Pickersgill: Not only do I agree with the hon. gentleman, but I owe him a tremendous debt of gratitude. Ever since we first sat in this house together he has been helping me along and I appreciate it.

An hon. Member: He is going to help you right out.

Mr. Pickersgill: Well, that could be, and thank God for being in a country where that is possible if the electors decide it. As to some of the decisions the electors made on June 18, some of the hon. members opposite are smarting under them to this day.

Mr. Martineau: May I ask the hon. member a question?

Mr. Pickersgill: If it is relevant to the bill, yes.

Mr. Martineau: It is relevant to the bill. In fact, I was about to ask the hon. member when he was going to begin discussing the bill.

Mr. Pickersgill: Just as soon as I have finished discussing the points raised by the minister. I said I would deal with the minister's observations first. I have practically concluded what I had to say about them. Then I will go on to the measure itself. I just want to say this—and this will deal, also, with the hon. member for St. John's East (Mr. McGrath) en passant. I would remind the minister that in the period from 1953 to 1957 a number of very great works were carried on in the Atlantic provinces. I do not think any better decision was ever made by the Department of National Defence than the decision to put camp Gagetown in New Brunswick. I know something about why that decision was made. There were many other places where, from a military standpoint, it might just as well have been put, but it was placed there because it was known it would help the economy of that province and it has, to a marked degree, as anybody who visits the city of Fredericton or the city of Saint John knows. During that period the Canso causeway was built and the effect of that causeway on the economy of the whole region, as the hon. member for Inverness-Richmond pointed out the other day, is only now beginning to show itself. I predict that in time it will be one of the great monuments to the wisdom of the Canadian people in developing all parts of their country.

I am going to say something now which, no doubt, will be surprising to hon. members opposite. I think it is unfortunate that the government to which I belonged, the former Liberal government, and Liberal governments before that did not, in the field of defence production, do the same as they did with respect to camp Gagetown, by developing production facilities in the Atlantic provinces. I think, looking back on it, we could have done better for our country than we did, had we done that. I do not hesitate to say that, because we on this side have never claimed perfection; we have never claimed we have accomplished everything.

There is one other thing I cannot forbear from mentioning, since my hon. friend from Gloucester and I are both associated in this indictment, and that is the establishment of unemployment insurance for fishermen. That is a measure which the hon. member for Gloucester and I probably had as much influence in persuading the government of that day to enact as any two members of the house. I do not say we had more influence than others, but I do say we had as much. It was acclaimed by all parties in this house when it was enacted. Some of us have apprehensions that there is in the minds of some hon. gentlemen opposite a notion that it should be scrapped, but anyone who knows anything about the difficulties we have had in the maintenance of income in the Atlantic provinces during these last five years knows what a welfare bill there would have been for all the provincial governments if it had

not been for the unemployment insurance payments which had been made in the last five years.

Mr. McGrath: That is utter nonsense.

Mr. Pickersgill: Let the hon. member for St. John's East go from Cape Bonavista to Twillingate and tell the fishermen that unemployment insurance for fishermen is utter nonsense, and see what kind of reception he gets. I invite him to do that at any time. However, I must not pursue that any further. There are many other things I might say but I mention those because they are measures with which my hon. friend from Gloucester and I were closely associated.

Mr. Barnett: May I ask the hon. member a question? It has to do with unemployment insurance for fishermen. Does the hon. member not think it might have been better if the measure to which he has referred had been called by the government of that day a welfare measure rather than an insurance provision?

Mr. Pickersgill: No, I do not. I do not know any single subject about which I feel more strongly than I do about this. The fishermen do not want welfare; they want jobs, and they want to be on unemployment insurance so that when they stop fishing, if there are any jobs available, they can get those jobs and get more stamps. If there are jobs for them to go to they will not collect the unemployment insurance. The tragedy of these last five years has been that when the fishing season was over there were no jobs for them to take and they had to live on unemployment insurance. But when there were jobs available they took them.

Mr. Martineau: On a point of order, I think the hon. member is very far from the bill in question and I suggest he would be more in order if he returned to it.

Mr. Pickersgill: I could not agree more with the hon. gentleman. It was not I who strayed from the bill. It was the minister who did that by suggesting as part of his argument that nothing had been accomplished in those years and, I must say, I yielded to the temptation offered by the question of the hon. member for Comox-Alberni (Mr. Barnett) because it raised a subject about which I feel very keenly.

Mr. Rapp: The hon. member said there was a need for seasonal unemployment payments to be made to fishermen. Was there not the same need in respect to seasonal farm labour, and why was that not brought under the provisions of the same bill?

Mr. Pickersgill: If you would permit me to answer that question I would be glad to do so, Mr. Speaker. But in view of the point of order raised by the minister—

Mr. Deputy Speaker: I should interrupt to observe that I am having some difficulty and that I appreciate the difficulty the hon. member for Bonavista-Twillingate is encountering because of certain interjections and questions which force him, to some extent, into a position where his observations cannot remain relevant to the bill. If hon. members would co-operate by making their comments apply directly to the principle of the bill, as is proper on second reading, it would be much more helpful in expediting its passage.

Mr. Pickersgill: I agree with you, Mr. Speaker, and I will answer the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp), for whom I have always had the highest regard, privately on some other occasion, or perhaps I will be able to speak on his motion the next time it comes up.

Now, sir, I want to make one observation, and one only, about the debate on this bill. On behalf of the Liberal opposition I am authorized to say that we are prepared, in order to expedite the enactment of this legislation and also of a number of other measures which are on the order paper, to be satisfied with having two speakers from our party on second reading of this bill—and I make this offer specifically with respect to this bill—on the understanding that the excellent suggestion made by the hon. member for Burnaby-Coquitlam (Mr. Douglas) the other day will be carried out by the government, and that this bill will be sent to a standing committee. I would suppose that the appropriate committee would be the banking and commerce committee, but it could be sent to whatever committee the government wishes. There it could be carefully examined and the officials could tell us what is going to happen after this board is set up.

I quite agree with the minister that that is really what is important. Merely enacting this measure and having a board is not going to get us very far. It is particularly important in relation to the other legislation, which has suggested in the minds of many hon. members that there may be a good deal of overlapping and duplication between these various agencies which the government is proposing and some of the agencies which have already been set up.

So, sir, I say that we are prepared to have only two speakers on second reading of this bill, on the understanding, of course, that the government supporters do not put up more than two speakers, and on the understanding

that the bill is not brought here in committee of the whole until it has first had careful examination by a standing committee. Then, of course, it will come to the committee of the whole where any hon. member who wishes to deal with the clauses can do so. However, I feel that a measure as important as the minister has told us this one is going to be, certainly ought to have the kind of careful examination that really is not possible in committee of the whole in this house, particularly at a time when there seems to be a general disposition in the house to try and speed up legislation. It is with a view to assisting the minister and the government in getting this measure enacted expeditiously, and in getting the best possible measure enacted, that I make this suggestion. Perhaps the minister can indicate in due course what view the government takes of that suggestion.

Now I come to the bill itself, and I must say that I read it with the greatest disappointment. I think that all those in the Atlantic provinces who read this bill and who understand its purport will also be very much disappointed. I say that because this bill does not do what I think all of us had been led by the speech from the throne and the program of the government before June 18 to feel the government intended to do in this matter. To put it bluntly, sir, we expected an executive agency, and all this is is another advisory body. I say that is not good enough.

Before anyone asks me: "Are you going to oppose the bill?", I am going to say this. I am going to say that I was brought up on the principle that nothing in this world is perfect, that the perfectionist generally gets nothing, and that half a loaf is better than no bread. I do not think that this bill is even half the loaf which was promised: I think it is only a crust. But I think it would be foolish to reject even the crust, and for my part I would certainly not join in rejecting it on second reading. It might well be that when we get into committee and have a chance to consider the matter, it would be found, as the minister has said, that this bill is not regarded by the government as perfect and we could make some improvements in it. I do not think it would ever be acceptable, but it would make it more useful than it would now seem to me to be.

Now, sir, if one may judge from what one has read about it in advance in the press, it would seem that the bill is more or less the product of a mutual back scratching match between the publisher of the *Atlantic Advocate* and the Prime Minister of Canada (Mr. Diefenbaker), who lavish the most exaggerated amount of praise upon each other, which in most cases is rather empty of content. But there is another journal in the Atlantic provinces which calls itself an independent newspaper, and which I think is an independent newspaper. Although I do not think anybody would accuse it of being a supporter of the Liberal party, it is a newspaper for which I have very high regard indeed. That newspaper is the Halifax *Chronicle-Herald,* and on November 19 it had this to say about this very bill:

> If the promised Atlantic provinces development board is to be a federal advisory commission (as now appears to be the case), two conditions will have to be met before its effectiveness can be assured.
>
> 1. A policy of making public its recommendations, possibly at the same time that it forwards them to the government, will have to be followed not only to "prove" the board's independence of the governments of the day, but to establish in public opinion its credentials as an effective planning agency.

As I read the bill—the minister may say that I have misinterpreted it—the board is to report only to the minister; it is not to report in any public way at all. This editorial goes on:

> 2. To the same end, the policy of appointment to the board will have to be not merely barren of party considerations—

Apparently the Halifax *Chronicle-Herald* does not realize that the Atlantic provinces have completely run out of defeated government candidates without employment, because it seems to fear that some of them will be appointed to this board, and it is warning in advance, perhaps, that even the colleagues of ex-provincial premiers are people who might be appointed.

Mr. Flemming (Victoria-Carleton): We did all right in the by-elections this week.

Mr. Pickersgill: Well, I do not imagine the minister will appoint actual members of the legislature. I was suggesting that the Halifax *Chronicle-Herald* was worried about appointing not those who are members of the legislature but those who might once have been. I am just endorsing the prescription of the Halifax *Chronicle-Herald* in this matter. This article continues:

> 2. To the same end, the policy of appointment to the board will have to be not merely barren of party considerations, but sensitive to the fact that the Atlantic provinces is not a homogeneous region, economically and socially. Not a few varying interests will have to be represented on the board if balanced suggestions are to be expected from it.

Mr. Speaker, I would hope that the minister, who is perhaps in appearance less partisan than some of his colleagues, would, if this legislation is adopted consult the governments of the Atlantic provinces before this board is appointed about the kind of appointments

which will be made. I do not say that the minister would have to give anybody a veto at all, but I do hope that he would consult the Atlantic premiers with a view to having the maximum possible amount of agreement that the best possible people will be appointed. It does not seem to me that that is an unreasonable suggestion.

This newspaper says that if certain conditions were met the board might be of some considerable use. However, this is the warning the *Chronicle-Herald* gives and this is the warning that I give. I think it will be echoed in the minds of many people in the Atlantic provinces:

Certainly, if these conditions are not met,—

Mr. McGrath: I rise on a point of order, Mr. Speaker. Is there not a rule against reading editorials at length?

Mr. Martin (Essex East): The hon. member is not reading at length.

Mr. McGrath: He is reading at length from an editorial which purports to be from the Halifax *Chronicle-Herald.*

Mr. Pickersgill: Speaking on the point of order, I would suggest that the hon. gentleman might use his leisure hours by reading Beauchesne, as the rule about reading editorials or any other comment is with regard to comment on a debate that is in progress. This editorial was written some days before this measure ever came before us. In fact, it was written on November 19. There is another rule, Mr. Speaker, to the effect that in reading an editorial one must indicate either his concurrence in those views or his dissent from them and make them part of his own speech. I have no hesitation whatsoever in indicating my approval of this editorial.

Mr. McGrath: Speaking on the point of order, Mr. Speaker, may I say this, if the hon. gentleman insists on reading. There is a rule of this house against reading speeches.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): Members from the same province should support one another.

Mr. Pickersgill: As I did last night.

An hon. Member: What page is that?

Mr. Pickersgill: I continue with the reading of this editorial:

Certainly, if these conditions are not met, the board could become a useless thing, or worse, a deadening buffer between succeeding governments of the day and the legitimate aspirations of the people of the Atlantic provinces.

It is not unimaginable—

I would draw the attention of the minister particularly to this last paragraph.

—that, in the hands of undistinguished appointees and operating on the periphery of public attention, the board could even become a vehicle through which any government could explain successive failures to act on our behalf.

I must say that I am rather apprehensive about the emphasis that has been given by the minister in the house, and by certain commentators outside the house to the suggestion that the first big question to be submitted to this board is the Chignecto project.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, I am sure the hon. gentleman does not wish to misquote me.

Mr. Pickersgill: No, I do not wish to misquote the minister.

Mr. Flemming (Victoria-Carleton): I did not say it was the first. It was the Prime Minister who, speaking on another occasion, had said that among the things to be considered was this project.

Mr. Pickersgill: Quite so. However, it was the only one that the Prime Minister singled out for attention.

Mr. Flemming (Victoria-Carleton): That is true.

Mr. Pickersgill: I admit that he was in Moncton or some place nearby at the time. I am also a politician. I would not blame the Prime Minister too much for not referring in Moncton to the South Saskatchewan dam. Of course, the difference is that the South Saskatchewan dam is being built and the Chignecto canal is going to be referred to still another board. After five years of Tory government, after three elections when they promised to do it, it is going to be referred to still another board as among the most pressing things. As far as the Chignecto canal is concerned it rather looks as though the Halifax *Chronicle-Herald* is right and that this is to be another high class and expensive funeral. I hope that is not the situation. Considering the way in which that project has been treated, one cannot help having the impression that may be what is intended.

Mr. Flemming (Victoria-Carleton): Would the hon. member like to add, "by various governments"?

Mr. Pickersgill: Certainly, by various governments. I agree. You know, Mr. Speaker, one of the things that amuses me most about the present government is this. I had hoped the minister, who has not been there as long as have some of his colleagues, would not have joined this club. There is only one reason the present government ever gives to justify anything it does and, above all, one reason is given for justifying anything it has not done. It says, "The Liberals did not do it either". I thought, as did the voters who voted in such large numbers in 1958 for the

Tory candidates, that they were going to get something different from what they got from the Liberals. However, according to the hon. gentleman, all they are getting are excuses for failures to act. Always the same excuse is given, "Well, you didn't do it in 22 years, so why should we do it?"

Mr. Deputy Speaker: Order. I think the hon. member is straying far from the principle of this bill which we are now studying.

Mr. Pickersgill: I am afraid, Mr. Speaker, that perhaps you did not hear the interjection.

Mr. Berger: Will the hon. member permit a question?

Mr. Pickersgill: Yes.

Mr. Berger: Does the hon. member's reference to broken promises illustrate the fact that there is no essential difference between this government and the former government?

Mr. Deputy Speaker: Order. I think the question is out of order.

Mr. Pickersgill: The question may have been out of order, Mr. Speaker, but since the hon. gentleman put into my mouth words that I did not use at all, may I say this. I never said anything about promises, broken or otherwise. His question is quite irrelevant. However, with respect to the Chignecto canal, I say it is obvious that it has not been built by a Liberal government or by a Conservative government. It has not been built at all. It begins to look as though it is going, as I said earlier, to be given a high class funeral.

Mr. Flemming (Victoria-Carleton): Is that what the hon. member hopes?

Mr. Pickersgill: No. I will tell you what I hope. I hope that it is built. This is—

Mr. Bell (Saint John-Albert): Have you got to read it?

Mr. Pickersgill: I do not have to read it. However, I wish the words to be precise as they are not my words. I do not mind paraphrasing myself. However, unlike many hon. gentlemen opposite, when I am quoting somebody else I prefer to quote accurately. I commend that procedure to many hon. gentlemen opposite. This happens to be a leaflet that was distributed by my party in the last election. It refers specifically and precisely to this subject and here is what it says:

Build the Prince Edward Island causeway,—

Which apparently has now become, in the hands of this government, a pauseway.

—if the still uncompleted studies establish its feasibility.

[Mr. Pickersgill.]

Then next:

Press on with the detailed studies of the Chignecto project and, if they prove its feasibility, undertake construction.

I hope they do so.

Mr. Flemming (Victoria-Carleton): I wonder if I could ask the hon. member a question.

Mr. Pickersgill: Certainly.

Mr. Flemming (Victoria-Carleton): Is that the same way the hon. gentleman felt when his government was in office and when a committee in 1950 came before the government of the day asking for the Chignecto canal? Was that the influence he had at that time over that government? Was his opinion the same then as it is now? The results were entirely nil.

Mr. Pickersgill: I did not happen to be a member of the government in 1950, and I am going to follow the excellent example given by the minister and not go into a whole lot of ancient history. I have admitted that the Liberal government did not build it or that it did not get on with it. I admit that fact right away. I do not know what there needs to be any more argument about. But for five years there has been a government in office that promised to build it, which the Liberals never promised. This is the real point.

Mr. Flemming (Victoria-Carleton): When did the present government promise to build it?

Mr. Pickersgill: And they never even carried on the studies.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, I should like to ask a question. When did the present government promise to build it?

Mr. Pickersgill: I think the minister is right.

Some hon. Members: Oh, oh.

Mr. Pickersgill: The minister is quite right. He is making a very careful differentiation. The present government did not promise it after it became a government. It was just the leader of the present government who promised it in the election of 1957, while he was still in opposition. That, sir, is precisely the difference between the leader of one party and the leader of another. Mr. St. Laurent would never promise to do it. The present Prime Minister did promise, and now we are going to give it another funeral.

Mr. Bell (Saint John-Albert): On a point of order, Mr. Speaker, the present Prime Minister did not promise to build the Chignecto canal.

Mr. Flemming (Victoria-Carleton): Don't quote from that document.

Mr. Pickersgill: All I suggest is that the hon. member look up the promises that were made in the election campaign of 1957 and he will find that the Prime Minister promised, if it was feasible, to build it, and for five years—

Mr. Bell (Saint John-Albert): On a point of order, the hon. member has changed his phraseology now to "if it is feasible".

Mr. Pickersgill: Well, there was to be an investigation and for five years the investigation was delayed. We all remember the farce when the former minister of public works, who no longer is in this house, was here and he was asked about these studies. We remember that other farce when the minister of public works who is no longer here—

Mr. Lewis: On a point of order, Mr. Speaker, I do not want to be and I hope I am not taken as trying to be superior, but may I ask when the debate will come back to the subject of the Atlantic development board? This is a purely political exchange.

Mr. Pickersgill: If the hon. gentleman does not think there should be political exchanges in parliament, what kind of exchanges does he think there should be?

Mr. Lewis: Relevant ones, Mr. Speaker.

Mr. McGrath: On the point of order, surely the rules of the house apply equally to all hon. members, and the hon. member has been clearly out of order since he started. He is not speaking to the principle of the bill.

Mr. Chevrier: On the point of order, Mr. Speaker, the point has been raised by the hon. member on two occasions but Your Honour has not ruled on it. However, since Your Honour rose there have been a number of questions from the other side of the house from the minister and others which have put the hon. member who is now speaking in the position of having to reply to them. There is no doubt that when such questions are put the hon. member surely has an opportunity to reply. In any event, notwithstanding what has been said by the hon. member for York South, surely this house is the place where political discussions can go on even though they do go somewhat beyond the sphere of the motion before the house. I submit this to you with deference, Mr. Speaker.

Mr. Deputy Speaker: I think all members are anxious to contribute toward helping the government with this legislation. All members seem to be anxious this afternoon about the political programs of each party, but I am sure all hon. members will try to listen very quietly to the hon. member for Bonavista-Twillingate. I ask the hon. member for the second time to discuss only the principle of the bill before us.

Mr. Pickersgill: As I understand it, the principle of the bill is to set up a board for the development of the Atlantic provinces, and if the Chignecto canal, in the opinion of the hon. member for York South, is not one of those projects then, of course, I am out of order.

Mr. Lewis: On a question of privilege, Mr. Speaker, I said nothing of the sort. So long as the hon. member discusses that I think it is in order. May I also say while I have the floor—

Some hon. Members: Order.

Mr. Deputy Speaker: The hon. member for York South can have the floor later to answer remarks made by the hon. member for Bonavista-Twillingate, but at this time the hon. member for Bonavista-Twillingate has the floor.

Mr. Pickersgill: I hope the hon. member for York South will make his point and tear my speech to pieces in his own good time. I am sure, inasmuch as he is a very much more accomplished controversialist than I am, that he will do an excellent job in doing so. As I was saying before this diversion took place, the Chignecto project is one that I certainly do not object to having the board consider, if the investigations are not yet complete. I think it is too bad they are not yet complete, but if they are not yet complete the board should, of course, consider it.

But what I did express apprehension about, and I want to express it again so that my point will be clear, is that if too much time is taken with this project with a view to rolling it over until after another election, the board may not get on with other things about which there may be a good deal less controversy, and I hope that will not happen. That was the point I was seeking to make when other hon. gentlemen, not myself, raised a number of points about the matter.

In my view there is another very important reason why the people of the Atlantic provinces will be greatly disappointed with this bill. We all remember that beautiful spring day in 1957 when the whole Atlantic region was going to be transformed, not by the minister who is now presenting the bill but by many hon. members who are sitting over there and by some who are no longer sitting over there.

Atlantic Development Board

I refer to their famous Moncton meeting when they provided a charter for the Atlantic provinces and when they promised a national development program of federal assistance for developing the resources of the Atlantic provinces about which nothing whatever has been done and about which we are now told a beginning is going to be made after the board is established. This was their second promise:

Industrial decentralization by placing a more equitable share of defence contract expenditures within the Atlantic provinces—

Mr. McGrath: Which has been fulfilled.

Mr. Pickersgill: In response to repeated inquiries on the estimates of the Department of Defence Production every year it has been shown by the statistics that this has not been done.

Mr. McGrath: It has been done.

Mr. Pickersgill: I continue:

—by the establishment of crown corporations—

As my hon. friend pointed out last night, the only crown corporations there are in the Atlantic provinces were established before this promise was made.

—by encouraging private enterprise to locate in the area—

I presume that is what this board is calculated to do, but what has been done in the last five years and why was it not done after these promises were made and a mandate was secured to carry them out? That is the question I ask.

Mr. Flemming (Victoria-Carleton): A lot was done.

Mr. Pickersgill: But the real and fundamental disappointment will come because of another of these promises.

Capital projects program to provide federal capital assistance for provincial projects designed to enlarge the basic economy of the area.

That promise was made five years ago. It will be six years in a few months since that promise was made and nothing whatever has been done about it. When we read the speech from the throne in September we thought that at last this was going to be done, but then we got this bill and there is not a suggestion of anything to be spent except the princely salary of $3,000 for the chairman and a little money to be appropriated later by parliament to carry on certain of the board's research work.

Now, sir, that is why I say there will be real disappointment with this bill. I am going to make a few brief suggestions about what this board ought to undertake. I regret again that it cannot do anything except study these problems, but I am going to recommend two or three things it should study. First of all—

Mr. McGrath: It should study the hon. member.

Mr. Pickersgill: I doubt if that would be very profitable.

The first and most important subject of study—hon. members may think I am slightly biased in this matter—should be the modernization of the oldest of Canada's industries, the fishery. There is no industry that has any greater need of the same kind of program that the government is seeking to bring about for agriculture under ARDA—

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

Mr. Pickersgill: Yes.

Mr. McGrath: Surely, he must realize the premier of Newfoundland has the solution of the problems of the fishing industry with his great fisheries manifesto that he announced before the last provincial election and which, incidentally fell flat on its face.

Mr. Pickersgill: The hon. member talks about the great fisheries manifesto which fell flat on its face, but apparently the hon. gentleman was not in Newfoundland paying attention during the election because the leader of his party in Newfoundland endorsed that whole program and put it forward as the program of his party as well. I think we can say that that program was unanimously approved.

Mr. McGrath: Mr. Speaker—

The Acting Speaker (Mr. Paul): I think this is not the place to discuss provincial matters. I realize that the hon. member asked the question but his question was out of order and so was the answer. For this reason, I ask the hon. member to come back to the subject of debate.

Mr. McGrath: Mr. Speaker, I rise on a question of privilege. The hon. member has made a completely false and inaccurate statement.

Mr. Robichaud: Where is your privilege?

Mr. Pickersgill: The hon. member has said that I have made a false statement. Anybody can examine the records. Mr. Greene made a speech about the fisheries development program during the election campaign which was almost precisely the same as the speech made by the premier of Newfoundland. I approve of both of them. They both involve a program which is partly federal in character.

The Acting Speaker (Mr. Paul): I know quite well I am not in good voice, and apparently the hon. member did not understand the remarks I made a few minutes ago relating to provincial matters.

Mr. Pickersgill: All I am saying is that this problem of the fisheries should be studied and it should be given a high priority because we are in very grave danger of losing this industry altogether as a result of the tremendous invasion of fishing vessels from across the Atlantic. There is nothing more important or more urgent at the present time than the modernization of the fishing industry so that Canadians can make their living from it. We should be very thankful that the provincial governments are willing to co-operate with the federal government in something which is primarily a federal matter.

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

Mr. Pickersgill: I think perhaps I should not permit any more questions. I have taken more time than I intended, largely because of these interruptions. I do not believe it is quite fair to other hon. members to do that, much as I would like to do so. I do hope that when the government of Newfoundland, or the government of any other province, comes here to Ottawa to discuss this problem, this board will have been set up and will undertake to study the modernization of the fishing industry at once.

Then, the problem of coal is certainly, I believe, a most urgent problem. I do not intend to go into the details of this matter. I do not intend to refer to the alleged quotation given by the hon. member for Cumberland (Mr. Coates) last night or to enter into any controversy with him. He said the Liberals said the coal would be left in the ground. This government has actually left it in the ground because the production of coal has diminished every year since 1957, and diminished drastically. I hope that we can arrest that diminution. I hope we can start production on the upgrade again. I have never concealed the fact that I would like to see far more power produced from this coal. I would like to see that power made available at very low cost, or even at no cost, for new secondary industries especially in the Cape Breton and Pictou county areas. It seems to me it would be a quite reasonable thing to do to try to get a more equitable distribution of industry, particularly in an area where we have the trained working force instead of trying, as the Minister of Labour (Mr. Starr) would do under his bill, to move the labour force somewhere else.

The next problem is that of transportation, the age-old problem of the Atlantic area. Here, sir, I commend to hon. gentlemen opposite and I commend to the board a program which we have been putting forward consistently since 1958. In order to overcome the special disabilities in transport of the Atlantic area, the federal government should pay 90 per cent of the cost of completing the trans-Canada highway in the Atlantic provinces and should also provide financial assistance for completing trunk highways in all four provinces to assist the movement of heavy traffic to and from central Canada and the United States.

Mr. McGrath: What was your policy prior to 1958 on this matter?

Mr. Pickersgill: Of course, we started the trans-Canada highway. We paid 50 per cent of the cost of most of it when it began. Later, we agreed to pay 90 per cent of the cost of 10 per cent of it, and when that did not accomplish the completion of the project we reached the conclusion that more help should be given. This is what I am suggesting now. I am suggesting it because it seems to me that this is precisely the kind of capital project that should have been in the program envisaged by the Conservative candidate at Moncton in 1957, and which we have not seen since that date.

We know the tourist industry in the Atlantic provinces is capable of vast expansion. It would expand a lot more rapidly if better roads were built. We could go on and talk, as the minister did, about mineral wealth, about waterpower, especially about the tremendous power development on the Hamilton river. This power is already being used in Labrador. We hope it can, with new technological developments in transmission, be transported cheaply all over the Atlantic area. When I refer to the "Atlantic area", I do not mean just the four Atlantic provinces but I include that part of Quebec from Riviere du Loup east, which is properly part of the Atlantic area and which is just as much in need of this kind of development as other parts of the Atlantic region.

Then, we know—the minister would know more about this than I do—that there has developed in recent years a good market in Europe for pulpwood. We know that, with certain harbour improvements and certain other capital works the federal government could undertake, we could harvest the wood that is otherwise going to be lost. Everyone, of course, would rather have the wood processed here if we could do that. But is there anyone who would not rather have it exported, as we export our wheat, so that it can be used instead of waiting for it to fall down and become a fire hazard and a spreader of disease, as it has been in the past? We did not have the market before but we have it now. I know the minister has this matter very much at heart himself and I feel sure this is one thing which he will push very strongly.

I would also like to join with the hon. member for Gloucester in his plea that we

ask this board to make a special study of the whole British Caribbean area and its economic relationship with the Atlantic region. I believe there are tremendous opportunities there for us to seize at the present time. As everyone knows, they are experiencing a crisis in their affairs. They need a helping hand and surely now is the time to give it to them. If we did that I believe it would make a tremendous difference to the Atlantic region of Canada.

I wish to reiterate that my principal regret is that there is not a capital fund and that this will not be a constructive, executive board capable of doing something itself. Apparently it is not going to be that; apparently we must accept what we can get, but I say it is a terrible disappointment. That is the big defect in this measure, but even taking the measure as it is, I wish to make a suggestion to the minister in charge of the bill, to the Minister of Fisheries, who is really interested in this subject, and to the Prime Minister who happens to be in the chamber at the moment. Before we enact this legislation I suggest that the government give very careful consideration to changing the scope of the bill in order to provide that a minister will be chairman of the board.

This is a board that will report to the government. It is not going to report to the public, and I say it would be a lot closer to the government and a lot closer to parliament if we had a minister as chairman of the board. Once in a while we might even be allowed to ask him questions about it. At any rate there would be a more direct sense of responsibility. I would favour that very much and I have a lot of sympathy with the minister in what he described as the maze of departmental activity here in Ottawa. A lot of that is inevitable. I am not blaming anybody but it is very confusing to anyone not familiar with it; and what I would like to see, even if we cannot have any capital fund for this board, is to have a minister as chairman of it. I suggest he be one of the ministers from the Atlantic provinces and, as long as we are going to be afflicted with this government, I cannot think of any better minister than the minister presenting this legislation. I would also suggest that he be chairman of a cabinet committee which would act as a liaison between the board, the government and the provincial governments of the Atlantic provinces so that these matters would not get lost in the maze and so that some minister would have a direct responsibility.

I know there are some people who suggest that we should have a separate department of government for the Atlantic provinces. I do not care for that idea at all and I doubt if the minister does, because it would tend to be off in a corner somewhere. That is not what we want; but we do want a cabinet committee composed of ministers primarily concerned with these matters and closely associated with the board, with the Minister of National Revenue as chairman of that board. I do not think that would require a new message from the crown. I am not suggesting that the minister, as chairman, should get the extra $3,000. That might go to someone else.

I hope the minister will not consider that the adoption of the principle of this bill would prevent its being changed in committee to implement the recommendations I have made. I suggest that the minister talk these matters over with his colleagues. This measure will not be coming up for discussion tomorrow and he might be able in the interim to consider whether these suggestions—which he will concede I am not making in any partisan way, whatever may be said of my other observations—would further the purposes of the bill.

I am not questioning the intentions of the minister, or indeed of anyone else, but I have a very grave fear that even with the best intentions, contact between bodies such as this board, once they are set up, is not closely maintained with ministers. All ministers are busy. I know that. They all have much to do. The ones who are worth while have too much to do, and as the less pressing things press less they get less attention. We do not want this board to be some kind of new waste paper basket for the awkward problems from the Atlantic provinces. We want something dynamic that will be an agency of change. The board itself will not change anything. It is what the board will recommend and the way it can bring its proposals to bear on the government that will bring about change.

In closing I appeal very strongly to the minister to accept the suggestion we have made that the bill be sent to one of the standing committees so that those hon. members who are most particularly interested, and who can sit on a committee, will have an opportunity to go into it thoroughly and do what the minister asked us to do, to do our best within the limits of what the government will agree to. We have to operate within those limits, but we can do our best to make this bill as good a bill as we possibly can.

Mr. McGrath: Before the hon. gentleman concludes may I ask him a question?

Mr. Pickersgill: Yes, certainly.

Mr. McGrath: The hon. gentleman put forward many projects which he would like

to see undertaken by this board. Is he not aware that on November 26, speaking of the proposed Atlantic development board, the president of the Atlantic provinces economic council said:

> The initiative for a development program should come primarily from the provincial governments.

Does he agree with that statement by the president of APEC?

Mr. Pickersgill: I do not think the hon. gentleman needs to worry about plenty of initiative coming from the premier of the province he and I represent.

Mr. McGrath: That does not answer the question.

Mr. Malcolm MacInnis (Cape Breton South): Mr. Speaker, there is an old saying that expectation is 80 per cent of realization. I am afraid today is a very sad day for the Atlantic provinces because we have to change the wording of that old formula and say in this particular case expectation has been 100 per cent of realization because we have tried to be constructive, we have tried to be non-political, we have tried to put forward constructive suggestions, but apparently all to no avail. Mr. Speaker, may I call it five o'clock?

The Acting Speaker (Mr. Paul): It being five o'clock the house will now proceed to consideration of private members' business as listed on today's order paper, namely notices of motion for production of papers.

DOMINION-PROVINCIAL RELATIONS

SUGGESTED ESTABLISHMENT OF FEDERAL DEPARTMENT

Mr. Robert Thompson (Red Deer) moved:

> That, in the opinion of this house, the government should give immediate consideration to the setting up of a department of federal-provincial affairs under the direction of a full-time minister.

He said: In rising to speak on this resolution, I believe we have before us one of the most important items we could consider relating to the general efficiency of government and the observance of the spirit of confederation which originally brought the provinces together to form this great country of Canada.

One of the most disturbing elements on the Canadian scene is the developing or continuing lack of a national spirit—that spirit which brought Canada into confederation. At a time when we should be strengthening the bonds of confederation it would seem that our governments, through policies of indecision and through the insidious usurpation and infringement of provincial rights, are weakening the province's unity. As our way of life becomes more complicated and as the development of the country fosters programs which of necessity transcend provincial boundaries it is absolutely essential that the closer co-operative working relationships which are obviously required between the national government and the various provincial governments be as harmonious and correlated as possible.

An example of this is the Columbia river project. This involves the treaty whose negotiation the Liberal government blocked in 1955—a treaty which was formally signed in 1960, just prior to the retirement of President Eisenhower, and which has yet to be ratified. The negotiator and the spokesman for the government at that time was the present Minister of Public Works (Mr. Fulton) who was then the minister of justice. I believe the hon. gentleman was more successful as minister of justice than he was as a negotiator with the provincial government. Anyway, I could never quite reconcile how a minister of justice could be concerned in dealing with a hydro-electric development project. Perhaps a redeeming feature of this situation is that through his dabbling in provincial affairs the hon. gentleman has given himself some background for his new prospective role. In my opinion, however, the Columbia river project would have been much further advanced had these negotiations been directed by a government minister whose direct responsibility would be to deal with such matters. This same principle applies to many different types of projects. Among them could be included irrigation projects, a nationl power grid, the national highways program, international highways such as the Alaska highway and the proposed Maritime-Montreal turnpike as well as the question of standardized electoral techniques.

I think that in considering this subject we should revert to the principles that brought us to confederation. Basically, these were founded on an agreement between the provinces which resulted in the formation of our country, Canada. The trend today is to attempt to cure economic ills, not by the use of mechanisms of our constitution but by special and often ineffective federal action. I think one of the reasons we fail to achieve close co-operation and harmony in the working of our government at the provincial and federal levels is simply that we are getting away from the spirit of the British North America Act which specifically defines the responsibilities of the two levels of government. It is my opinion that we are less in need of amendments to the British North America Act than we are of a return to the basic principles which are expressed in it. I feel also with respect to the appointments of the many boards, royal commissions and

special government agencies which now abound in this country and which are being added to by legislation already before this house, that unless we do have in the federal government a special department concerned with the overlapping of what could be conflicting areas of responsibility, we are not going to reach, through those boards and commissions, the objectives upon which we mutually agree.

We have been speaking in this house this afternoon about an Atlantic development board. This is to be a national board and obviously it will have very close relationships with the Atlantic provinces economic council. It will also overlap considerably with the area of responsibility of the national economic development board and of the national productivity council. To avoid confusion and to increase efficiency, a department of government specifically set up with the responsibility of dealing with such questions involving both the dominion and provincial governments would certainly appear to be most desirable.

There are any number of instances which could be quoted of occasions upon which the federal government has been at cross purposes with the provincial governments. We can recall what happened in connection with the Newfoundland loggers strike, the relations between the federal government and the province of Quebec over university grants and even in connection with co-operative programs of hospital finance and the fair allocation of federal government appointments to Quebec citizens. There is also the question of equalizing taxation on private utilities with that imposed on public utilities, a problem which so often relates to provincial governments but one whose correction rests entirely within the hands of the dominion government. I am reminded that just a few weeks ago this matter was discussed here in the house. The Minister of Finance (Mr. Nowlan) said he could not consider action at that time because he would not want to be interfering with a provincial election. Yet this question of the taxation of utilities which are continuing to operate through private enterprise is a real problem, and one which is not being handled in a satisfactory way by the federal government.

All this makes difficulties for provincial governments. I could go on to cite a number of other cases of this kind but it would simply bring us again to our main point, namely that there are many problems today arising between the two levels of government whose solution could be facilitated if only there were a single federal government department charged with specific responsibility for this field of activity.

[Mr. Thompson.]

There are other fields in which liaison between federal and provincial governments is far from perfect. There is, for example, the question of the allocation of tax fields. This is in itself a very important question and there is a great deal to be done before satisfactory arrangements can be completed. Then there is the question of the uniformity of certain types of legislation arising simply because our country, expanding as it has, faces problems which cut across provincial boundaries. With regard to this, I think the federal government has a certain amount of responsibility, at least to provide for the appropriate liaison and to see that the development of the country as a whole as well as in the provincial areas goes ahead as it should.

Another matter which might be mentioned is the question of electoral procedure in this country, which is far from uniform. This is not an appropriate subject for legislation by the federal government but, certainly, uniformity is something which the federal government could facilitate if there were a closer understanding between provincial and federal governments. There is the problem of social welfare standards. There is the problem of agricultural policies which are at variance with each other simply because we have not reached a stage of correlated integration of policies between the provinces.

I think that in all of these matters if there were a department of government, with a minister, a deputy minister and a proper administrative set-up, certainly many of these problems could be minimized and brought to pass much more efficiently. There is the question of policy relating to the development of our natural resources. We recall the "resources for tomorrow" conference, and I think that anybody who took part in that conference will agree that one of the difficulties which faced the conference was the lack of proper preparation, as well as the lack of proper follow-through on some of the decisions reached. Again, a specific department of government would be able to handle these problems much more effectively than they are handled at present. These are matters which we see, and there are other particular needs for co-operation which will be of more importance in the future. We need very urgently in Canada a definite highway development policy. In connection with that, we need certainly many changes in our transportation policy. These involve the provincial governments as well. These changes apply both to rail and to highway transport, and also to air transport. Here again a much closer co-operation and effective working together is very important at this time.

The trend in Canada today—we have seen this in the house during these past few

days—is towards federally-appointed boards. Rather than to impose the will of the federal government upon the provinces, as is done very often through these boards, it would be much better and would pay much greater respect to our constitution to bring about a closer spirit of harmony in establishing the necessary machinery to make effective the recommendations of these boards. Our proposal in bringing forward this resolution at this time is that there should be a department of federal-provincial affairs under a full-time minister. His responsibility would be one of co-ordination, of regional orientation, so that we would not have the undignified spectacle we frequently see in Canada of two levels of government, and sometimes three, engaging in mutually contradictory policies, without the fruitful result which we expect through the action taken, while at the same time costing large amounts of taxpayers' money.

There are many examples I could cite to support this argument. In the United States the government, which is a federal government in many respects similar to our own, has its secretary of the interior. Coming to our provincial governments, several of them have already realized the need for this very thing, and both in Manitoba and Ontario—there may be others—there are portfolios of provincial-federal affairs. This leads up to the fact that this need is recognized at the provincial level, and they are looking toward something which will tie the ends together at the federal level.

It is worthy of note that we should look at the friction which often occurs between provincial and federal governments, bearing in mind that many of these problems can be ironed out without the name calling and the buck passing which is associated all too frequently with federal-provincial affairs at this time. I think in this regard of a number of statements which the present Minister of Public Works (Mr. Fulton) has made with regard to the development of the British Columbia power issue. Again, I wonder what is the responsibility of a former minister of justice in getting himself involved in this very matter anyway. It lowers his own status, which he should be maintaining as minister of justice, and it involves him in matters which are actually none of his business. In the United States, who is the man responsible for heading up these negotiations? He is the secretary of the interior, and rightfully so because that is his responsibility.

But again, behind all of this I would say that there is the basic issue of democratic government itself in Canada. More and more power assigned to boards means less and less power to elected representatives, who frequently have responsibilities under the constitution trenching in on the same field. One of the dangers which threatens democratic government in Canada today at any level is where the responsibilities of elected representatives, through the processes of democracy, are assigned to appointed boards and committees. This is not in accordance with my understanding of the basic principles of democracy. It develops the situation, which is becoming all too common in our midst, of bureaucracy at government level, and I think that the second phase of the Glassco commission reports brings this very clearly to our attention. Bureaucracy is the very negation of democracy. It frequently adopts lines of policy which even this house cannot completely keep under control from day to day. An example of this in recent days has been the dispute between the board of broadcast governors and the Canadian Broadcasting Corporation. My proposal here tonight is a means of giving the provinces a chance to be heard on major policy decisions of the federal government, and even to get action on many matters which are neglected, of which resources and transport policy are two of the most conspicuous. We believe that government closest to the people is the best government, and this proposal is worth 10,000 boards in getting effective government action in accordance with the real wishes of the Canadian people on a hundred matters on which they are dissatisfied at the present time.

In a matter of five years we will be celebrating the centennial of our country. The preparations for this centennial are something which concerns everybody in Canada, as well as government at every level. The experiment which is Canada—the bringing together of people whose background represents two great nations, and adding on top of them many new Canadians of different ethnic backgrounds—is an experiment which, if it should fail, would rock the very foundations of our hopes for peace. If we cannot succeed and cannot bring this aim to a great climax at our one hundredth anniversary, then what hope is there in this world for peace? I am convinced that the experiment which is Canada can be a living proof of what can be done to bring peoples together so as to form a spirit of national unity, which in this case will provide the great strength which potentially is ours in Canada, but which will prove that democratic government is the answer to our governmental needs, even in an age such as we are part of. Therefore I commend to the members of this house that they give very careful consideration to the basic purpose and intent behind this resolution, in the

hope that we could impress upon the government at this time that one of the most positive actions it could take would be to set up such a department of government for the purpose I have just briefly referred to.

Mr. Barry Mather (New Westminster): Mr. Speaker, I should like to say a few brief words of approval and gratification for the proposal which the hon. member for Red Deer (Mr. Thompson) has put before us. I say gratification because for the last nine years the members of our party have put forward in this house similar measures, and it is very encouraging to us, sir, to find that other parties are now thinking along similar lines.

We endorse the principle the bill establishes. Actually, it would have been surprising that we would not do so as I think the bill is almost non-political. The need for the action proposed is so apparent and the remedy put forward so logical that it would be strange if we found much opposition to the action either in this house or in the country. It is true that in the founding convention of my own party this clause appears in our program:

> Immediately following confederation a federal minister was given special responsibility for relations with the provinces. It is time to revive that post. The New Democratic party aims to create a federal-provincial relations department to maintain and extend co-operation with the provinces and to co-ordinate and act as a special secretariat for joint committees and councils.

It is true that appears in a political program. However, it is likely that similar ideas appear in other political programs. As I say, the matter is hardly political. Particularly in this house where we see every day measures which come before us and with which we are asked to deal, I do not think there could be much opposition to the step proposed by the hon. member for Red Deer. When we deal with matters of finance, industry, agriculture, labour or health, it is apparent that these matters go far beyond the constitutional authority which we have under the present arrangements in Canada. We deal here with the results of economics and those economics have no provincial boundaries. The economics of the farm, the factory or the home are at once interprovincial and federal. We cannot separate them and we cannot deal with them properly on a separate basis as we have been trying to do for so long.

It is true that we have in Canada three levels of government, namely federal, provincial and municipal. But actually we have one people. When I say we have three levels of government I should like to suggest to hon. members to consider what seems to me to be almost a fourth level of government which is coming about and I think being made apparent through the very needs of the constitutional situation. That fourth level of government is the interprovincial one. We now have every year meetings between the leaders of the provincial governments where they come together and discuss joint problems. The reason they do this is that there is no appropriate machinery at the provincial-federal level such as that which is proposed by the hon. member for Red Deer, and which would offer a basis for handling such consultations.

When my grandfather came to this continent, Mr. Speaker, in 1887 it took him two weeks to go across the continent. Today I think I can do it in four hours. In his day it would have taken two weeks for a picture to be taken and transported across the country. Today the same thing can be accomplished in a matter of minutes or seconds. Those two points may illustrate the great changes, economic and social, which have taken place in the country, and which we should also take steps to meet on a constitutional and administrative basis.

I think the proposal to create a federal-provincial ministry with a specific minister to deal with the class of matters in which the federal-provincial relationship is involved is necessary at this time. I hope the matter may be brought to a vote. In order that others may speak, I will not further take up the time of the house, except to urge that the matter be supported.

Mr. L. E. Kindt (Macleod): Mr. Speaker, the resolution before the house, has as its purpose the setting up of a department of federal-provincial affairs under the direction of a full time minister. Many provincial governments have made an approach, through the press and through direct representation to the federal government, to have representation and more say on certain matters emanating from the federal picture which affects them within the provinces. As to whether the setting up of a new department to handle this matter, even though it has only as its limitations the question of co-ordination, is one of the matters which I believe would need to be approached in a very careful manner.

I do not believe that the mover of this resolution had in mind the setting up of a department that would be a fifth wheel. However, in all probability it might grow into just that very thing. In other words, the only person or persons in the federal government who know anything about, for example, health problems are the people who deal with those problems in the health department. If someone else is co-ordinating these matters pertaining to health, they in turn would need to work through the health department if any

intelligence were to be put into the negotiations between federal and provincial people. One could go on down the line and draw a parallel with a vast number of programs which are carried out between the provincial governments and the federal government. In setting up a department in order to bring federal and provincial governments closer together, you might be destroying the present relationship which exists between the department in the federal government taking care of those problems and the department in the provincial government where the similar problems from a provincial point of view are being taken care of. In other words, those two departments have a working relationship. They understand one another. They are in constant communication. Where there are matters that are to be handled by the two governments, it is the people who are concerned in these respective departments that get together and discuss those matters. If you were to set up a minister whose job it would be to look after federal-provincial relationships, unless his duties were thoroughly defined and unless he kept within those limitations there would be, before long, instances in which he would be in the hair of the existing departments handling those matters.

Let us go on to a second question. I wish to speak for a few minutes about the magnitude of the problem as between say the federal and the provincial levels. I should like to spend just a few moments in examining that magnitude as between the federal government and for example the province of Alberta. The federal government contributed to the province of Alberta 44.4 per cent of the money which it spent during the fiscal year 1959-60. Those are the last available figures from the financial statistics of the provincial governments issued by the dominion bureau of statistics.

To go back a step, I should like to point out that the gross revenue of the province of Alberta in 1959-60 was $332,755,000 which included conditional and unconditional grants from the federal government totalling $147,970,000. Unconditional grants amounted to $59,009,000 and conditional grants amounted to $88,961,000. The figure of $147,970,000, which is the sum of the amounts for conditional and unconditional grants, represented 44.4 per cent of the money spent by the government of Alberta during that particular year, and that money came from the federal treasury. To put it another way, well over $1 out of $3 came from the federal government.

It might be well to put figures on the record to show that there has been a tremendous increase in these grants over the past few years. The contribution of the federal treasury in 1956-57 was $89,685,000 while in 1959-60 it was $147,970,000. In other words, there has been an increase from 1956-57 to 1959-60 of $58,285,000 in the revenue which the province of Alberta has received from the federal government, and that took place since this government came into office.

We are often damned and criticized for deficit financing, but this deficit has come about as a result of the generous conditional and unconditional grants made to the province of Alberta and other provinces. But the figures I have given might well be analysed by all those who have a desire to criticize this government for its generous contributions to support programs administered by the provincial governments.

Mr. Caouette: On a point of order, Mr. Speaker, I think the speaker is completely out of order at this time. We are not trying to put a specific province on trial at this time, either the province of Alberta or the province of Quebec or the province of Ontario. I feel that the hon. member should keep in line with the motion which has to do with the setting up of a federal-provincial affairs ministry by this house. He has given us figures concerning Alberta and has said that Alberta was supplied with this money by the federal government, and so on. I do not think he is in order.

Mr. Speaker: Order. While the hon. member may have made certain references that had a slight political overtone I had the impression, and I think I am correct, that he was indicating the trend toward increase in the period of four years in respect of the moneys contributed by the federal government to his own province as an example in order to show the greater relationship between the federal government and the provinces. If I am correct in that, I think that is a point in favour of the resolution and I do not know that it is wildly out of order. As long as it is limited to that and we do not get into a sort of political record speech, I think the hon. member may continue his remarks.

Mr. Caouette: Mr. Speaker, I feel that it is just a political discussion at this time.

Mr. Speaker: Order.

Mr. Kindt: Thank you, Mr. Speaker. I thank the hon. member for Villeneuve (Mr. Caouette) for having raised his point, although let me say to him that in checking me with regard to whether or not I am on the beam he had better keep on the beam when he is talking. Furthermore, I was right

on the beam because I am talking about the money that this government has given to the province for provincial programs.

Mr. Caouette: On another point of order, in my view the money that the federal government has been spending—

Mr. Speaker: Order.

Mr. Caouette: —is money coming from the provinces of Canada.

Mr. Speaker: Order. The hon. member has his right to speak. There will be a rotation of speakers. He has full right to speak and to argue the points that are being put forward by the hon. member. I think the motion is a fairly narrow one and we should limit ourselves to dominion-provincial relations and the necessity of a ministry, but examples may be given as to any increase there has been in dominion-provincial relations.

Mr. Kindt: Mr. Speaker, when I am talking about the programs of this government and the money spent I am talking about federal-provincial relations, and that is what this resolution deals with. Therefore I cannot understand why the hon. member for Villeneuve would have the nerve to get up and interrupt me in the midst of my speech. May I say to him that the thing for him to do is to go out and pay his rent.

Mr. Speaker: Order.

Mr. Kindt: I have a few points—

Mr. Speaker: Order. I think the hon. member for Macleod will recognize that his remarks are quite out of order and quite uncalled for.

Mr. Caouette: Mr. Speaker,—

Mr. Speaker: I have dealt with the point. We will now come back to the motion and we will keep personal remarks off the record.

Mr. Caouette: Mr. Speaker, on the point of order, I ask Your Honour to ask the hon. member to withdraw the words he used, that I have not been paying my rent.

Mr. Speaker: Order. This is not a place to backchat and we will observe the rules of the house. I have declared the remarks of the hon. member to be quite improper and we will leave it at that.

Mr. Kindt: Thank you, Mr. Speaker. Let me close with a few statements concerning the cost of setting up a new department of government. If such a department can contribute to good relations between the federal and provincial government and if it can accomplish something in addition to what is already being accomplished then perhaps you can build a case for it. On the other hand, if it is to be a fifth wheel and accomplish nothing, but get in the way of existing agencies of government, then I think probably you could build just as good a case against it.

Now, nothing has been done by the provincial governments about establishing a department of federal-provincial affairs, at least not in the province of Alberta. In so far as the federal government is concerned, if any particular problem arises it is always handled by the department concerned and, through the minister, by the cabinet. The same procedure is followed at the provincial level. With all due respect to the mover of this motion, all I can say is that he must have had something in the back of his mind that he wanted to get across to the people, in addition to what he said in respect of the resolution.

Mr. Thompson: I rise on a point of order, Mr. Speaker.

Mr. Speaker: Is the hon. member rising on a point of order or a question of privilege?

Mr. Thompson: I am rising on a point of order. I do not believe the hon. member has the right to impute motives. Certainly, if he cannot stay on the topic before us he had better sit down.

Mr. Speaker: Order; I failed to recognize in any of the remarks the imputation of an improper motive. I do not know that anything in the back of one's mind is necessarily improper.

Mr. Kindt: I must say that the leader of the Social Credit party is very touchy. He must have had something in his mind that was detrimental, although I did not impute it to him. May I say that the establishment of a department such as is proposed in this resolution may have something to recommend it, but it needs to be given very close scrutiny.

(Translation):

Mr. Alexis Caron (Hull): Mr. Speaker, I shall strive to bring the debate back to the level where it was during the speech of the hon. member for Red Deer (Mr. Thompson), that is a higher level than during the remarks of the hon. member who has just resumed his seat.

Since confederation, there have been great autonomists, particularly in the province of Quebec. To name only a few, there were Messrs. Honore Mercier, L. A. Taschereau and Duplessis and the present premier, the Hon. Jean Lesage. One can see therefore that only a few years after confederation, there was already some friction between the central government and the provinces. Without those difficulties, we would not have had the great

men who fought against the federal government at that time. It would seem then that provincial rights have been threatened since confederation. On the other hand, confederation would not have been possible if the provinces had not received assurances that their rights would be respected. I remember that, barely two years ago, my chief, the leader of the Liberal party (Mr. Pearson), suggested that a department be set up to deal exclusively with federal-provincial affairs.

I recognize that, in some areas, that suggestion was very badly received, whereas it was much better received in others. Some claimed for example that when it came to interpreting the constitution, the Minister of Justice was the one to do so, and that the appointment of another minister would result in duplication of responsibilities. Others said: When we come to Ottawa to secure grants, we go to the Minister of Finance and not to a minister of federal-provincial affairs.

I am convinced that if we had a department of federal-provincial affairs, it could continually discuss the situation with the provincial ministers. Besides, Ontario and Manitoba already have such a ministry; the premier of the province of Quebec said that he was thinking of setting up such a department. In fact, the heads of those departments would report to their respective governments on the discussions they would have together.

Besides, some steps have already been taken to unify opinions in the various provinces. At the call of Premier Jean Lesage, all provincial premiers met three years ago in Quebec to consider their problems in regard to the federal government. Another meeting was held in Charlottetown last year and this year it was in Victoria. This shows that there are continuing problems, problems which have been getting worse particularly since 1931, when the Westminster statute was signed. We have seen the development of these problems since the war because of Canada's expansion and the responsibilities it had accepted toward the outside world. The federal government needed increased revenues, and so did the provinces because of their continued development. But now, both levels of government have seen that it is impossible for each level to tax individually because the population cannot accept further increased taxation. There had to be an agreement between the various provinces and the federal government in order to know definitely in what field one level of government could levy taxes and in what field the other level could do so.

I admit it is impossible to come to a solution overnight, because there are great difficulties standing in the way.

We know that the Liberal party has developed an equalization plan in order to allow the federal government to give more to the underdeveloped provinces, to those who are in greater need of assistance. In Quebec, Ontario, Alberta and British Columbia, which are immensely rich provinces, that problem does not exist, because their revenue is adequate and they do not seem to have any concern about the poorer provinces.

I think it was the desire of all federal governments to help more particularly those provinces who needed greater assistance. But, in some quarters, there was reluctance to welcome such an arrangement. Consequently, in order to correct the situation, we should set up an agency which would constantly study each problem in the light of its inherent difficulties, which would allow the government to be able to make wise decisions.

Let us take, for instance, the problem of highway transportation. The MacPherson commission suggested that the railways should not enter that field. Highway transportation originated because of a lack of foresight on the part of railway companies; it developed these come under provincial jurisdiction.

The MacPherson commission actually said to the railways: Go ahead and keep away from that. Those are problems that could be discussed between the provincial and federal governments, so that both parties may benefit from it.

There is the matter of the Columbia river that seemed to be settled a long time ago, but which is cropping up again today.

Relations are strained between the federal government and the British Columbia government, regardless of the party in power.

All those matters could be settled if we had a body which would look into those problems regularly and report its findings to the government. The cabinet might be able then to find a way of correcting the situation once and for all, after hearing both parties.

Besides, the government will soon propose the repatriation of the constitution. How are we going to repatriate the constitution if we have had no time to study it and put it in order?

The constitution is far from being perfect. It has to be repatriated, we admit it. But before this is done, it would be necessary that organizations co-operate in considering changes to be made to ensure protection for the minorities, the welfare of the poorest

provinces in Canada as well as the settling of problems that will inevitably arise. Now, this cannot be accomplished if federal and provincial governments do not have representatives who work together to study this problem before our constitution can be repatriated. I think that the resolution is very simple that there is no reason for us not to pass it; there even is no reason for us to criticize it because all that the member for Red Deer is asking is that we study this matter immediately.

The government is asked to study this project. That is nothing unusual because it has been said that this government is the most studious we have had since confederation. It has been operating by boards since it took over. Therefore they could keep on studying as they have done and try to find some ground for understanding between the provinces in all federal-provincial matters.

I submit, Mr. Speaker, that we should at once accept this resolution, but we should not ascribe its mover with any intentions he has never had.

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, the motion presented by the hon. member for Red Deer (Mr. Thompson), which proposes the setting up of a department of federal-provincial affairs, under the direction of a full-time minister, is of the utmost importance for the good administration of our country, because it aims at eliminating all the problems that arise from the fact that the federal government trespasses on provincial laws and privileges and at restoring justice within the limits set by the Confederation Act of 1867.

The centralization implemented in such a hateful way by the central government at the time of the Liberal administration was a source of continuous friction between the provincial states and the federal state, especially with regard to taxation.

Under the Conservative administration, the situation has remained almost unchanged.

On the other hand, since it was always quite difficult to settle the overlapping responsibilities between the federal and the provincial levels because of the lack of coordination, this project of establishing a department of federal-provincial affairs would provide a way to find the required solutions in the best interest of the federal and provincial governments.

As a Quebec representative in this house, I know how often our province and its people were unfairly treated by Liberal administrations during 22 years and afterwards by Conservative administrations because they said that Quebec was a province like the other provinces. Quebec is not a province like the other provinces. It is different from the others in many ways and particularly in its character, its French speaking population, its education system, its religious institutions, its social organization, the philosophy and habits of its people, etc., all of which is the heritage of 355 years of French Canadian history.

It is abnormal, for instance, for the federal government to impinge upon the rights of the provinces, and that is why the equalization system which was advocated by the Liberal party is not the answer to the fiscal problem of the provinces. If the provinces have the rights to which they are entitled, there is no need for them to have an equalization system.

The hon. member for Macleod (Mr. Kindt) said a few moments ago that if that department were established, it would in effect destroy any good relationship between the federal and provincial health departments. That is not the purpose of this proposal.

He also said that the federal government gave back to the province of Alberta 44 per cent of the levies. I would point out to the hon. member that that money had been first levied by the federal government whereas it belonged to the province.

Far from wanting to promote federal interference in provincial affairs, this motion has been introduced for the purpose of settling the matter.

(Text):

Mr. F. F. Stenson (Peterborough): Mr. Speaker, I would like to congratulate the hon. member for Red Deer (Mr. Thompson) on his motion and his presentation of it. The hon. member for Macleod (Mr. Kindt) has put forward very convincing reasons why we should not have such a ministry set up, but I as a new member still feel a ministry of federal-provincial affairs could be co-ordinated within the cabinet.

Since the Conservative government came into power in 1957 we have seen increased federal grants made to provinces and municipalities. Let us take a look at a few of the things the government has done for provinces and municipalities. With the assistance of the Minister of Labour money has been granted to every province for the building of technical

and vocational schools. The government has also taken a great interest in universities, and in this field is working with the provinces.

In almost every capital project undertaken by provinces, the federal government has been asked to contribute financially. National and provincial parks are tied together, and the trans-Canada highway involves the provinces and the federal government. Recently the government made large grants available to hospitals, matching grants from the provinces, and had it not been for these grants there would be a grave shortage of hospital beds.

Any hon. member who has sat on a municipal council recognizes that in the future municipalities must receive more aid from provincial governments and the federal government if they are to give the people the services they require. In my constituency of Peterborough—

Some hon. Members: Six o'clock.

BUSINESS OF THE HOUSE

Mr. Chevrier: I take it that tomorrow we will go on with the business which was announced by the house leader on Tuesday evening and, I understand, again last night. Perhaps the house leader would indicate what else we will do on Thursday and Friday.

Mr. Churchill: I think for the orderly progression of business we should complete tomorrow debate on the Atlantic development board, which is very close to completion, and then carry on with the national economic development board. I doubt very much if there would be time for anything else. If there should be a last 15 minutes or so we would take items standing in the name of the Minister of Justice.

Mr. Chevrier: I am not objecting to this but I am simply asking for information. Was there not some statement last night that we would go on, as the first item of business tomorrow, with the national development board?

Mr. Churchill: No. On two occasions I said that on Thursday we would call the national economic development board but I did not say it would be the first item on Thursday. I am sure the house, which has not objected to the Atlantic development board, would like to complete that bill, which perhaps can be done in an hour or an hour and a half, and then we would go on with the economic development board.

Mr. Douglas: Will the national productivity council amendments come up?

Mr. Churchill: No.

Mr. Chevrier: I was not here last evening but I took it from my friend from Bonavista-Twillingate that what I said earlier was accurate. I find from what appears at page 2328 of *Hansard* that this is the case. This is what was said:

> Mr. Pickersgill: Would the minister also indicate whether it is still the intention of the government on Thursday, regardless of what progress is made, to go on with the national economic development council legislation?
>
> Mr. Churchill: That is right.

Mr. Churchill: There is no indication there that it would be the first item called, but it certainly will be on the program for tomorrow and my hope is that we shall get to it by four o'clock or 4.30.

It being three minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, December 6, 1962

The house met at 2.30 p.m.

COMMITTEES OF THE HOUSE

Third report of standing committee on railways, canals and telegraph lines—Mr. Howe.

Third report of standing committee on banking and commerce—Mr. Chaplin.

First report of joint committee on the library of parliament—Mr. Speaker.

BUSINESS OF THE HOUSE

CHRISTMAS ADJOURNMENT DECEMBER 20 TO JANUARY 21

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the question has been asked by members in all parts of the house what the idea of the government was with regard to the date of adjournment for the Christmas recess and the date of reassembly in the new year. It will be recalled that only on a small number of occasions has the house sat in the fall and divided the session into two parts. In 1957, as I recall it, the house adjourned on December 21 and reassembled on January 3rd. The same date of adjournment was followed in 1960-61. Following consultation with the leaders of the several parties I wish to announce that on the basis of the progress being made in the program as it appears on the order paper, with only one or two additional matters that may be added, the adjournment will take place on December 20 and the house will reassemble on Monday, January 21, 1963.

GRAIN

DURUM WHEAT—INTERIM PAYMENT ON 1961-62 POOL ACCOUNT

Hon. D. S. Harkness (Acting Minister of Agriculture): Mr. Speaker, in the absence of the Minister of Agriculture I wish to inform the house of an interim payment to be made on Durum wheat in connection with the 1961-62 wheat pool account.

The Canadian Wheat Board Act does not make provision for separate final payments for Durum wheat and spring wheat. However, the act does provide for interim payments to be made when these can be made without loss. Since the Canadian wheat board has advised that all the Durum wheat delivered to the 1961-62 wheat pool account has been sold, the government has approved an interim payment on the 1961-62 pool account that will apply only to the Durum grades. There will, of course, not be any further payment with respect to the 1961-62 Durum wheat deliveries.

Producers delivered a total of 10,531,113.4 bushels to the Durum account. After deducting the Prairie Farm Assistance Act levy and interim payment costs on the 1961-62 Durum account, and after adding estimated additional interest earnings, the interim payment will be $6,941,397.96, or an average of 65.9 cents per bushel. The payments for the principal grades are as follows:

Grade	cents per bushel
No. 1 Canada western amber Durum	63.113
No. 2 Canada western amber Durum	66.083
No. 3 Canada western amber Durum	67.320
Extra No. 4 Canada western amber Durum	70.290
No. 4 Canada western amber Durum	68.434
No. 5 Canada western amber Durum	31.755
No. 6 Canada western amber Durum	36.705

I am not in a position to indicate when it will be possible for the board to close the 1961-62 wheat pool account and make the final payment on the other grades of wheat delivered to this pool.

(Translation):

CANADIAN NATIONAL RAILWAYS ACT

AMENDMENT TO REDUCE SALARY OF PRESIDENT

Mr. Real Caouette (Villeneuve) moved for leave to introduce Bill C-97, to amend the Canadian National Railways Act (salary of President).

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, the purpose of the bill is simply to have the economic and financial situation of this country recognized. The explanation is quite clear. The measure provides for a substantial reduction in the expenditures of the Canadian National Railways, by setting the salary of the president at a level more in keeping with the financial conditions we find in this country and especially in the Canadian National Railways. Never, in any organization, would one tolerate—

Proposed Legislation

Mr. Speaker: Order. I feel that that remark is not in order. An hon. member may explain a bill to the house, but he cannot indicate the motive behind it.

Mr. Caouette: Without attributing any motives to anybody, here is what the bill amounts to; it is meant to set the president's salary at one dollar, because I think he is not worth more than that at the present time.

Mr. Speaker: Order. The hon. member will no doubt recognize that the last part of his sentence, concerning the explanation of this bill, is not in keeping with our standing orders.

Mr. Gregoire: But it is in keeping with the facts.

Motion agreed to.

(Text):

PUBLIC SERVICE

MEASURE TO ESTABLISH OFFICE OF PARLIAMENTARY COMMISSIONER

Mr. Arthur Smith (Calgary South) moved for leave to introduce Bill No. C-98, to establish the office of parliamentary commissioner.

Some hon. Members: Explain.

Mr. Smith (Calgary South): Mr. Speaker, the bill provides authority for the appointment of a parliamentary commissioner whose duty it shall be to investigate any grievance protesting administrative decisions of government departments and/or crown companies which may be registered by a petitioner. The commissioner, however, shall not investigate any decision with respect to which there is a right of appeal to a court or tribunal, and at his discretion may refuse to investigate those grievances which are either trivial or which he considers have not been placed before him in good faith.

The bill also provides that if no action is taken by the administrative head of a department following the recommendations of the commissioner, the commissioner may then at his discretion send a copy of his report and recommendation to the Prime Minister and may thereafter make such reports to parliament as he sees fit, designed to curb any possible abuse of administrative power. This legislation is similar to legislation enacted in several other countries.

Motion agreed to and bill read the first time.

[Mr. Caouette.]

CIVIL SERVICE ACT

AMENDMENT TO ESTABLISH REMEMBRANCE DAY AS PUBLIC SERVICE HOLIDAY

Mr. H. W. Herridge (Kootenay West) moved for leave to introduce Bill No. C-99, to amend the Civil Service Act (Remembrance day).

Some hon. Members: Explain.

Mr. Herridge: Mr. Speaker, this bill is in line with proposals made by the Royal Canadian Legion, other veterans organizations and a number of other organizations including labour organizations. The purpose of this bill is to restore, in so far as the parliament of Canada is legislatively able, Remembrance day to the position intended within the spirit and meaning of the Remembrance Day Act, revised statutes, chapter 237. This act provides as follows:

> Throughout Canada in each and every year, the 11th day of November, being the day in the year 1918 on which the great war was triumphantly concluded by an armistice, shall be a holiday, and shall be kept and observed as such under the name of Remembrance day.

Motion agreed to and bill read the first time.

LABOUR RELATIONS

NORRIS COMMISSION—RIGHT OF WITNESS TO TESTIFY IN EITHER OFFICIAL LANGUAGE

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I desire to ask a question of the Prime Minister. Having regard to a statement made by Mr. Commissioner Norris during the inquiry into shipping on the great lakes and the St. Lawrence river system, as appears at page 8937 of the evidence, volume 59, December 4, 1962—I shall have to read this short sentence in order to bring it to the Prime Minister's attention—

> It is not a question of his right at all on this matter. He has the right to have matters translated to him if he wishes in French, that is his right, but I point out to you that if you insist on that I will consider that you are not assisting the work of this commission and I will govern myself accordingly. I think you should be reasonable and the witness should be reasonable. You all admitted he is thoroughly bilingual and Mr. Lalonde knows he is thoroughly bilingual. If he insists on his strict right, I will give it to him, and if you insist I will give it to him, but I will still remember and I remember today the obstruction which you are causing.

My question to the Prime Minister is this. Does the Prime Minister intend to draw to the attention of the commissioner the right of all Canadians to testify in either of the official languages, without conditions?

Mr. Speaker: Order. The hon. member will recognize that yesterday I adjudicated on a similar type of question in regard to precisely

the same subject and declared that since this was a matter of a judicial body, a judicial inquiry made outside the house, it was not within the competence of any hon. member to ask any minister to comment on the views or statements of either a judicial officer conducting such a judicial inquiry or of any witness, and I so rule in this case.

Mr. Chevrier: Mr. Speaker, if you so rule then I would respectfully rise on a point of order and draw to your attention that the question I posed to the Prime Minister is not one which has anything to do with the internal aspects of this investigation which is before an honourable judge, but that it has to do with the British North America Act by which this parliament is governed, and section 133 of the British North America Act clearly states that it is a right of a witness to choose or select either of the official languages of this country, without any conditions.

That is a right every witness has in court or in any proceeding, and it seems to me I am not attempting in any way whatsoever to discuss what is going on before another commission or before another court of record, because the subject matter is not my concern. It is the procedure, which I say to you respectfully is a challenge to section 133 of the British North America Act, and it is one which I think cannot go unnoticed. I think, sir, you should allow me to put the question to the Prime Minister, and I am sure the Prime Minister would want at once to bring the point which I have tried to make to the attention of the commissioner.

Mr. Speaker: Notwithstanding the reasoning advanced by the hon. member I think he will recognize that if I allowed his question it would be open to any hon. member to rise in his place in respect to any court proceedings where any judge had indicated any views on the manner of giving testimony, whether those views dealt with language or otherwise. I am still of the opinion that this is not a question that can be asked on orders of the day, in addition to which such a matter dealing with a judicial inquiry or court proceeding also invites entry into controversy.

(Translation):

TRADE

WORLD FAIR—REPORTED REDUCTION IN FEDERAL CONTRIBUTION

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence, about which I gave him notice.

Mr. Speaker, I would pray for your indulgence and understanding to point out the presence, in the visitors' gallery, of more than 80 delegates of the junior chamber of commerce of the district of Montreal, as well as that of His Worship the Mayor of Montreal, and to wish them the most cordial welcome here.

My question is in regard to—

Mr. Speaker: I regret very much to interrupt the hon. member, and I have no doubt he wished to direct a question to the minister, but I feel that in spite of the fact that we have here today the visit of a certain delegation and of distinguished personalities, it is absolutely out of order to draw the attention of the house to the presence of anyone in the galleries, because the tradition of the House of Commons is that no one in the galleries should be mentioned.

The hon. member will perhaps object that, occasionally, the Speaker does point out the presence of distinguished visitors in the galleries, but he will also recognize that the Speaker does apologize for doing so, or does ask the permission of the house.

At all events, under the circumstances, notwithstanding the importance of the visitors who are now in the galleries, I feel we cannot adopt as a principle or as a policy to authorize a member to call the attention of the house to the presence of certain visitors.

Mr. Valade: I apologize, Mr. Speaker. I should have asked for your permission beforehand.

Could the Associate Minister of National Defence inform the house if the federal government intends to limit its contribution to the 1967 world fair, as was stated in a morning paper of the Canadian metropolis?

Mr. Speaker: Order. I think the hon. member will recognize that if he had limited his question to the first part, without indicating that the matter had been raised in a daily newspaper, it would have been authorized. He is now asking the minister to comment on an article published in a daily newspaper, which is not in keeping with the rules. The hon. member will perhaps care to put his question in another form. In the meanwhile, I recognize the hon. member for Bellechasse.

[*Later:*]

Mr. Valade: Mr. Speaker, after rephrasing my question, I should like to put it again to the Associate Minister of National Defence.

Inquiries of the Ministry

Could the minister tell us whether the government intends to restrict its contribution to the 1967 world fair?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, in reply to the hon. member for St. Mary, I must tell him that the government intends to make the same contribution to the 1967 world fair as has been clearly stated before.

Mr. Speaker, while I am on my feet, I should like, on a question of privilege, to object to certain items published in some newspapers and based on mere gossip and unfounded information tending to misinterpret the real facts, with regard to the world fair.

Mr. Speaker: Order. The answer to the question of the hon. member is in order, but I feel that the reason given by the minister to rise on a question of privilege is ill-founded, because there is no indication that the items in question refer to him personally. The minister disproves certain reports concerning the government's stand, and this is no question of privilege.

[*Later:*]

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I have a supplementary question to ask following that of the hon. member for St. Mary.

In view of the fact that the Associate Minister of National Defence has stated in the house that a bill would be introduced in the first weeks of December for the establishment of a corporation which would look after the preparations for the world fair, and in view of the fact that the order paper which has been distributed makes no mention of such legislation, could the minister tell us whether he still intends to introduce a bill at that time, in spite of the order paper?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, in reply to the question of my good friend the hon. member for Laurier, I should like to say that the lawyers of the three governments concerned, that is the federal and provincial governments and the municipal administration, are presently working on the clauses of the bill. We hope that agreement will be reached as early as tomorrow; in that case, the bill my hon. friend is referring to would be introduced in the house before the adjournment announced by the Prime Minister.

[Mr. Valade.]

I know that the hon. member for Laurier and, indeed, all members of the house are anxious for the launching of that fine project, the world fair.

Mr. Speaker: Order. The reply that the Associate Minister of National Defence has just given is sufficient.

(Text):

POSSIBILITY OF EXPORTING CANADIAN IRON ORE TO EUROPE

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the Minister of Trade and Commerce. My question is based on reliable reports that European steel makers are coming to rely increasingly upon African iron ore. Can the minister indicate to the house whether the government is doing anything to encourage Canadian iron ore producers to establish a Canadian owned steel industry in the British isles or in any other European country?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, I wish to thank the hon. member for giving notice of his intention to ask this question. During May of this year a Canadian iron ore trade mission visited Europe to assess the competitive position of Canadian iron ore in the European market. On its return to Canada the mission reported that increasingly severe competition was being experienced from newly developed sources of high grade direct shipping ores in Africa. This competition affected factors of both grade and price. Consequently there is no indication that the establishment of a Canadian owned steel industry in Britain or in any other European country would provide an effective solution to Canada's long term problem of exporting iron ore to the European market. This possibility, therefore, is not presently under consideration.

OIL—REPORTED U.S. INTENTION TO RESTRICT IMPORTS

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, in view of the reply of the Minister of Trade and Commerce to a question from me yesterday to the effect that his understanding was that no action had yet been taken by the United States administration regarding the importation into that country of oil, including oil from Canada, is the minister not now aware that a proclamation on this subject was in fact issued in Washington on November 30 by the President dealing with this matter in a way which will have an important effect on the Canadian oil industry?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, I have been advised by the president of the national energy board, who has followed this matter closely, that such action as yet does not affect Canada, but these are matters which will be discussed here a week from today.

(Translation):

HEALTH AND WELFARE

FAMILY ALLOWANCES—INQUIRY AS TO INCREASE

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to address a question to the Prime Minister. Does the government intend to raise the level of family allowances before the Christmas recess?

Mr. Speaker: Order. I think the hon. member will recognize that his question concerns government policy and is not in order. I might suggest to the hon. member to comply with the provisions of Beauchesne's citation 171, which deals with the kind of questions that can be asked at this time.

Mr. Dumont: Mr. Speaker, would that be the French version of Beauchesne's work?

Mr. Speaker: I am sure the hon. member can understand that citation because it was quoted very often in this house and a translation can be found in *Hansard.*

(Text):

EXTERNAL AFFAIRS

REQUEST FOR STATEMENT ON TALKS WITH POLISH DEPUTY FOREIGN MINISTER

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I would like to ask the Prime Minister a question in the absence of the Secretary of State for External Affairs. My question is, in view of the impending NATO ministerial meeting in Paris and the recent talks in Ottawa of the Canadian Secretary of State for External Affairs with the deputy foreign minister of Poland, would the Prime Minister tell the house what is the Canadian government's policy concerning the Rapacki plan for a nuclear-free zone for central Europe, the Polish-German Oder-Neisse western boundary and the talked about—

Some hon. Members: Order.

Mr. Haidasz: —non-aggression pact between NATO and Warsaw pact countries?

Mr. Speaker: Order. In this regard I suggest to the hon. member that he look at citation 171, wherein I think he will see that questions may not ask for a detailed, elaborate reply on a number of matters. In effect the hon. member is asking for a rather detailed expose on a number of points of foreign policy, which is not appropriate for orders of the day.

Mr. Haidasz: Mr. Speaker—

Mr. Speaker: That is my ruling with respect to the hon. member's question.

Mr. Haidasz: On a question of privilege—

Mr. Speaker: Privilege?

Mr. Haidasz: On a point of order, Mr. Speaker, in view of the fact that we have been denied during this session of parliament a debate on matters of external affairs—

Some hon. Members: Order.

Mr. Haidasz: —I think it is quite proper at this time to ask this question of the Prime Minister.

Mr. Speaker: Order. The hon. member has made certain allegations about the question of debate on certain subjects. I am still of the opinion that in the way the hon. member framed his question it is not acceptable. He may wish to look at the appropriate citation and consider what he wishes to ask; then he may rephrase his question.

Mr. Haidasz: May I rephrase my question at the present moment, Mr. Speaker. I would like to ask the Prime Minister whether he has any information to give to this house this afternoon following the talks of the Secretary of State for External Affairs with the deputy foreign minister of Poland yesterday?

Right Hon. J. G. Diefenbaker (Prime Minister): No, Mr. Speaker.

INDIA—REPRESENTATIONS RESPECTING CANADIAN TRADE WITH CHINA

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I had intended to direct my question to the Secretary of State for External Affairs. However, in his absence I will direct it to the Prime Minister instead. Has the government received any communication from the government of India expressing concern over the continuing volume of trade with communist China?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I can speak with regard to the situation only up to yesterday. However, no such message has been received. As a matter of fact Australia is dealing with China, as are the United Kingdom and France, and I have not heard any complaint.

Inquiries of the Ministry

BUSINESS OF THE HOUSE

CONSIDERATION OF PUBLIC ACCOUNTS BY COMMITTEE

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to ask a perfectly proper and correct question of the very active parliamentary secretary to the Minister of Finance. Could the parliamentary secretary inform the house whether the public accounts for 1961 are going to be given to the public accounts committee and, if so, when?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I think the minister is in a position to answer that question and the answer is at the proper time and in the proper place.

REFERENCE TO ANSWER TO QUESTION ON ORDER PAPER

On the orders of the day:

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I think probably this matter comes under the heading of privilege. However, I do not wish to call it that. I am referring to the answer by the Minister of Trade and Commerce to my question No. 1,038, which was as follows:

Since November 1, 1962, what is the (a) description of export (b) name of exporter (c) value of export, of all approvals made by the Export Credits Insurance Corporation.

The answer to part (b) was as follows:

All discussions and correspondence in connection with policies are to be treated by both sides as confidential—

I wish to say that I made the inquiry only because I had read in the press the sums granted—

Mr. Speaker: Order. Regardless of what may have been the hon. member's impression or his source of information, it is a well established rule that one does not comment on the nature of a reply. As I indicated the other day, and I think hon. members will agree, if certain questions tend to mislead or are obviously erroneous, they may found the possibility of a grievance on certain occasions. However, they are certainly not questions of privilege and certainly they do not found any questions on the orders of the day.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Maurice Rinfret (St. James): Mr. Speaker, this question is addressed to the Prime Minister. In view of the fact that since 1958 some 15 royal commissions have been established by the government at a total cost of $4,293,000, is it the intention of the government to institute a royal commission to study the advisability of creating royal commissions?

Mr. Vincent Drouin (Argenteuil-Deux-Montagnes): Mr. Speaker, may I ask the Prime Minister a question?

Is the government considering the possibility of guaranteeing an advance to the hon. members belonging to the Social Credit party who are faced with law suits for non-payment of rent because of the election bets the member for Villeneuve has lost?

Mr. Speaker: Order. I would have thought that the hon. member for Argenteuil-Deux-Montagnes, kind as he is, would have looked up paragraphs 1 and 2 of citation 171.

(Translation):

HOUSE OF COMMONS

LACK OF BILINGUAL REPORTER IN RAILWAY COMMITTEE

On the orders of the day:

Mr. J.-P. Cook (Montmagny-L'Islet): Mr. Speaker, my question is directed to the Minister of Transport.

Could the minister tell us if he knows why a bilingual stenographer is not affected to the standing committee on railways, canals and telegraph lines?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, it is only as a witness that I appeared before the committee—

Mr. Speaker: Order. It is not in order to ask such a question. It is a matter—

Mr. Cook: Mr. Speaker, I rise on a point of order—

Mr. Speaker: Order. It is a matter that comes under the committee's jurisdiction. I have already indicated that the rules governing the procedure of a committee are that committee's responsibility and not the minister's. The minister goes before the committee as a witness only; he does not head the committee.

Mr. Cook: Mr. Speaker, I asked the minister if he knew why. My question had nothing to do with the rules of the committee. The minister got up and I think you should have left him free to reply.

Mr. Speaker: The hon. member's question cannot be asked on the orders of the day.

(Text):

PUBLIC SERVICE

BOXING DAY—HOLIDAY PAY FOR PREVAILING RATES EMPLOYEES

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the fact that the government has directed that Boxing day be a paid holiday for civil servants, does the government intend to direct that Boxing day be a paid holiday for prevailing rate employees as well?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I am not certain that the government has declared that it will be a holiday but in any event there has been no consideration given to the second part of the question which the hon. gentleman asks.

THE CANADIAN ECONOMY

ACTION TO PREVENT FURTHER INCREASE IN COST OF LIVING

On the orders of the day:

Mr. H. J. Robichaud (Gloucester): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. Can the Prime Minister inform the house what steps are being taken by the government to prevent further increases in the cost of living, which according to the index announced today has increased substantially for the fifth consecutive month?

(Translation):

Mr. Speaker: Order. I wonder if the hon. member, has read paragraphs 1 and 2 of citation 171 of Beauchesne.

FINANCE

SALE OF $500 MILLION OF GOVERNMENT BONDS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, my question is addressed to the Minister of Finance.

On many occasions already, we have seen advertised in newspapers an issue of bonds for $500 million on the part of the federal government. My question is this. I would like to know if it is always about the same bond issue and, if so, do these bonds sell well?

Mr. Speaker: Order. Since certain detailed explanations are requested, I believe that the hon. member had better put his question on the order paper.

(Text):

SURCHARGE ON FOREIGN EDITORIAL CONTENT OF MAGAZINES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Finance whether the government is considering either legislation or regulations which would place a surcharge or some similar tariff upon the foreign editorial content of magazines printed in Canada, such as *Reader's Digest* and *Time* magazine.

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, the government has given consideration to the report of the O'Leary commission. A resolution was placed on the order paper last spring purporting to implement in part the recommendations of that commission, and the government will be proceeding with this matter in the relatively near future.

PENITENTIARIES

INQUIRY AS TO RECEIPT OF STEVENSON AND KELLOGG REPORT

On the orders of the day:

Mr. John R. Matheson (Leeds): I wish to direct a question to the Minister of Justice. Has the government received the report prepared by Stevenson and Kellogg Limited on penitentiaries?

Mr. Speaker: Order. This is a matter of detail. The hon. member knows that he should put that question on the order paper. Certainly he should not ask it on the orders of the day.

(Translation):

AIR TRANSPORT

MONTREAL AND OTTAWA—BILINGUAL INSURANCE POLICIES

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, my question is directed to the Minister of Transport.

Could the minister tell the house whether it is possible to obtain, at the Montreal and Ottawa airports, French life insurance leaflets in order to know if people have the right to die in French?

Mr. Speaker: Order. That is just a question of detail and I trust the hon. member will be fair and obliging enough to recognize that the questions which are being asked at this time must be of national urgency.

(Text):

DOMINION-PROVINCIAL RELATIONS

INQUIRY AS TO CONFERENCE TO CONSIDER NATIONAL SYMBOLS

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wonder if I might ask the Prime Minister what progress is being made toward the calling of a conference of the provincial governments for the purposes of consulting over a national flag and other national symbols, as was outlined in the speech from the throne.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, a number of electoral events have taken place. Early in the new year I hope those electoral events will have been completed, and that it will be possible to proceed as suggested on this matter.

POST OFFICE DEPARTMENT

REPORTED INTENTION TO REDUCE NUMBER OF EMPLOYEES

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, may I ask a question of the Postmaster General. Will the Postmaster General inform the house if it is the government's intention to reduce the number of postal employees, particularly in the Montreal area?

(Translation):

Mr. Speaker: Order. The hon. member must realize that his question is not in keeping with standing orders as far as questions asked at this point of the sitting are concerned.

Mr. Denis: I rise on a point of order.

Mr. Speaker: There is no point of order.

Mr. Denis: I am advised that the staff is going to be reduced any day now. Therefore in a month it will be too late to ask my question.

Mr. Speaker: Staff reductions in post offices throughout Canada may be under consideration.

(Text):

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Postmaster General and ask her if it is the intention of her department to release any employees of the Post Office Department. If so, in what districts?

Mr. Speaker: Order. As I think the hon. member will recognize immediately, that question asked for particulars as to districts. That is a matter of statistical information which on numerous occasions I have ruled it is not within the expectation of the house that a minister shall have at hand. The hon. member was asking for particular details. I think he will recognize the fact that this question is out of order.

Hon. L. B. Pearson (Leader of the Opposition): Speaking on the point of order which you have just raised, Mr. Speaker, may I say this. When there is a report in the press or otherwise that certain employees may be released, surely it is the right and indeed the duty of members of this house to ask the government if there is any truth to those reports, as it concerns a matter of the employment of government officials.

Mr. Speaker: Order. I appreciate what the Leader of the Opposition has said. However, I think he will agree that one could take from any newspaper in the country reports which might comment that in this particular sector or in that particular sector one or more, whether it be two, 500 or 1,000 government employees, may be released. I know the Leader of the Opposition is a very reasonable man in this regard, and in saying this I am not being disrespectful. I submit that matters of this kind are not for questions on the orders of the day. They may be put on the order paper. We could spend our time entirely on these matters. Hon. members on both sides of the house could take one minister after another and discuss whether or not there was the possibility of a reduction of staff in that particular department and in some particular locality. It is the same thing as asking where certain post offices are going to be built.

Mr. Chevrier: Mr. Speaker, I should like to rephrase the question.

Mr. Speaker: Very well. In the interval may I recognize the hon. member for Skeena.

Mr. Howard: It will give him more time in which to rephrase it.

[*Later:*]

Mr. Chevrier: Mr. Speaker, in the light of the fact that it is the responsibility of ministers of the crown to deal with government policy, my question is rephrased as follows. Is it the policy of the Post Office Department to release a certain number of its employees during the Christmas recess?

Hon. Ellen L. Fairclough (Postmaster General): Mr. Speaker, the answer is no.

COMBINES

DRUGS—INQUIRY AS TO REPORT

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, on Friday last I asked a question of the Minister of Justice as follows:

Mr. Speaker, I wonder . . . whether there is any knowledge available as to when we might expect the completion of the report on the drug question by the restrictive trade practices commission, or the former members who are working on it.

At that time the acting minister replied that he would draw the question to the attention of his colleague, perhaps for an early reply. I wonder whether we are able to have an answer to that question at the moment.

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, the question was brought to my attention by my colleague. There is nothing further that I can bring to the attention of the house on the subject. The indication that I gave several weeks ago was that it was expected that the report could be completed by approximately the end of this year. The information I now have does not depart to any degree from that indication.

UNEMPLOYMENT INSURANCE

TRANSLATION OF REPORT OF GILL COMMITTEE

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask my dear friend the Minister of Labour if he is now in a position to give us a progress report on the French translation of the Gill report dealing with so important a matter as unemployment insurance in this country?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, in reply to my dear friend from Essex East I wish to say to him that I have nothing further to report.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Wednesday, December 5, consideration of the motion of Mr. Flemming (Victoria-Carleton) for the second reading of Bill No. C-94, to provide for establishment of an Atlantic development board.

Mr. Speaker: The hon. member for Cape Breton South. In the interests of the accuracy of the record and for our own benefit, perhaps the hon. member might defer his remarks for 15 to 20 seconds in order to let those members leave who may wish to do so.

Mr. Malcolm MacInnis (Cape Breton South): Mr. Speaker, it is not my intention to take very much of the time of the house this afternoon on second reading of the bill. Rather, I am inclined to accept the suggestion made by the hon. member for Bonavista-Twillingate yesterday when he called for a shortening of the debate on second reading in the hope that we can move this measure into a committee of the house, perhaps the committee on banking and commerce, and deal with it more fully at that particular stage.

I think it is quite apparent that we in this group have approached this measure on a non-partisan basis. We have suggested there was hope that this type of measure might make some substantial and concrete contribution to the curing of the economic ills of the Atlantic region of Canada. We tried to be objective. We pointed out that we were concerned about certain aspects of this legislation as it came forward. We indicated certain fears and certain reservations that we held. At the same time we attempted to fulfil our responsibility as members of the opposition, and we brought forward proposals that I think were to some extent constructive and objective, but apparently to no avail.

I suggest it is not an exaggeration to say, bearing in mind the statements that have been made in this house by members of the government and attempting to relate the legislation before us to the Atlantic provinces, that this bill represents nothing more than a straw in the wind, a leaf on the tidal waters, a measure that is going to be completely inadequate in attempting to cope with the situation in the Atlantic provinces. I suggest that this is a form of political subterfuge. It is a concession to expedience at its worst.

In this connection I should like to indicate that I am amazed at the public statements that have been made by some of the official representatives of the Atlantic provinces economic council now that the bill is before us in all its inadequacy and all its shortcomings. It seems to me it is quite regrettable that in the concern of this organization, APEC, to remain politically non-partisan and in their anxiety and keen desire to obtain at least some concrete reaction from this government to our proposals, they are prepared so passively and so meekly to accept this token recognition of our problems. I sincerely trust that in their later, more formal and more official pronouncements on the specific bill, which they can now study in all of its detail, they will be less concerned about offending the government and more concerned about pressing for a truly effective board capable of initiating decisive action.

There are many aspects of the bill regarding which we intend to introduce specific amendments at the appropriate time, and I hope the minister and the government will give them due consideration. In its present form and under the proposed terms of reference that are before us, I suggest that the bill is a miserable piece of legislation totally

inadequate for the job it is supposed to handle, and certainly not worthy of being put on the statute books of this nation.

Mr. Russell MacEwan (Pictou): Mr. Speaker, like the hon. member for Cape Breton South, I will be very short in order that the bill may be given second reading. I listened to the hon. member speaking on the bill, and I have also listened to other speeches he has made in the house. He says he cannot understand why some of the officials of APEC, a well known body which was referred to by the hon. member for Gloucester as a commendable organization in the Atlantic provinces, are in favour of setting up such a board because in his view it is nothing but a subterfuge.

I have not been in this house long, and the hon. member has not been here as long as I have. May I simply say that he has said some things which are helpful, but he must realize that there are many wise men in APEC from all over the maritime provinces and that they are looking at this matter in an objective manner and giving their opinion on it. I should like to quote from the New Glasgow *News* of November 15 last in which there is a report on what the new president of APEC had to say about the setting up of the Atlantic development board:

> Gerald E. Martin, in his first public address since assuming presidency of the self-help regional organization last month, said creation of the board would mark the first entrance of the federal government into direct area development. He cautioned against thinking the board could do the entire job of encouraging regional development by itself.

The article goes on to indicate that Mr. Martin put forward various matters which have already been mentioned in this house by way of suggestions to be made to the new board by APEC.

The hon. member for Bonavista-Twillingate spoke yesterday, and the hon. member for Gloucester spoke on the resolution. The hon. member for Bonavista-Twillingate set himself up as the spokesman for the Atlantic provinces, the one who knows all about these matters. Let me just say there are those of us in the house who are natives of the Atlantic provinces and who feel we can speak as well for this area as the hon. member, who has moved to Newfoundland and has actually been adopted by that province.

During the last few years the hon. member for Gloucester has been the opposition coal critic in the house, but from the speech of the hon. member for Bonavista-Twillingate yesterday it would appear that he and the member for Gloucester are now the friends of the fishermen. Apparently the hon. member for Gloucester is no longer the coal critic but has now moved into another field. The hon. member made quite a lengthy speech, which I do not intend to go into because it was made at another stage of the legislation and was referred to by the hon. member for Cumberland.

I should like to refer to a few of the matters mentioned yesterday by the hon. member for Bonavista-Twillingate. I remember as a young boy and probably in later years going to afternoon movie matinees. Yesterday afternoon we witnessed another matinee performance by the hon. member for Bonavista-Twillingate. He put on quite a show. I listened attentively to all his speech. I think the only thing he said which would be of assistance and could be taken as a good suggestion for the Atlantic development board or to help the Atlantic provinces was when he put forward certain things that the board should study.

He admitted in his remarks that when he was a member of the former government when it was in power more should have been done in the field of defence production, in getting more work from that department for the Atlantic area. We also have been trying to do that and perhaps I could point out a few ways in which the Department of Defence Production, under the able minister, has been able to help out in my own constituency.

For instance, a variable depth sonar has been developed, one of the best known anti-submarine devices in the world. We have not only used this device in our Royal Canadian Navy, but we have sold it to the Royal Navy and the Royal Australian Navy, and I believe the Department of Defence Production is attempting to sell it to the United States. This variable depth sonar is manufactured by E.M.I. Cossor Limited at Dartmouth, and subcontracts have been let to companies in other communities including Fairey Aviation at Dartmouth and Trenton Industries Limited in my constituency.

As I understand it, since 1957 industries in my own area and undoubtedly in other parts of the Atlantic provinces have been listed with various government departments for material which can be supplied, and have been able to secure contracts. At Trenton Industries they are making mortar carriers for the Department of Defence Production as well as the towing gear for the variable depth sonar.

In my area, and this affects all areas in the Atlantic provinces and the shipyards, the following has been carried out by other government departments during the last five years. For instance, right now a coastguard cutter is being built at the Ferguson Industries

Limited yards, Pictou, Nova Scotia, in my constituency. Tenders were called and the three lowest bids included one from the great lakes yards, one from the St. Lawrence area and one from the maritimes area. I suggested to the Minister of Transport that since these vessels would be used in various parts of Canada the work should be allotted on a regional basis. The Ferguson yard at Pictou, being the lowest bidder in the maritimes, was awarded a contract for one of these craft. The other two contracts went to a great lakes yard and a St. Lawrence yard respectively. This was a big help.

I should like also to refer to the ferry constructed about two years ago to operate between Portugal Cove and Belle island, Newfoundland, in the constituency of the hon. member for St. John's East. The call for tenders was limited to the maritime yards, and this was the case with the new ferry which will be constructed during this coming year at the Ferguson Industries Limited yard at Pictou. This ferry will operate between Wood island and Cariboo. The hon. member for Bonavista-Twillingate made the suggestion that we should do more to encourage the tourist industry, and I believe the new ferry will help in that direction because there will no longer be a line-up for the ferry at either Wood island or Cariboo.

Then the hon. member pointed out that the board should study our fisheries. I agree with that suggestion. Subsidies were introduced by the Minister of Transport to pay 50 per cent of the cost of construction of steel trawlers. This will be of great assistance to the fishermen. May I point out, sir, that the fisheries school in the province of Nova Scotia is located at Pictou. During the last few months, in order to enlarge the school and make more facilities available for training young fishermen in the Atlantic provinces, the federal government gave approximately $150,000 to help the province of Nova Scotia with this work. I can therefore concur with the hon. member that our fisheries would be a most important subject of study.

The hon. member also pointed out that coal should be used to a greater extent in the production of power in the Atlantic provinces. May I point out to the hon. member for Bonavista-Twillingate that if he had travelled from Stellarton to Trenton while he was in my constituency he would have seen the thermal plant at Trenton. The enlargement of this plant was made possible by the Atlantic Provinces Power Development Act, and between $2 million and $3 million was spent by this government for that purpose. This power, which is generated from coal, was hooked up to the grid system connecting Nova Scotia and New Brunswick, which was also made possible by the Atlantic Provinces Power Development Act. Rates were established for industrial users which were comparable to those in parts of Ontario. Each year these industrial users are given a rebate, which means that at the end of the year they get a cheque for an amount which will reduce their rate to one which is comparable to that of industrial users in Ontario. The plant burns coal from our Pictou county mines.

I believe, therefore, that the board which this bill will establish will help various parts of the Atlantic provinces. Mine is a surplus labour area, but I am not going into the reasons for it being such an area. During the last years some coal mines have closed down, but I am not pointing the finger at anyone for that. Various reasons were behind it. We have a large plant there which makes railway cars. During the last ten years the railways embarked on a program of changes in their rolling stock, and there is not so much need for these railway cars now. However, the plant is going better now because certain branches of the Canada Car Company at Montreal have been moved and now the roofs and ends of these cars are made at Trenton. This plant of the Eastern Car Company gives employment to about 75 men.

I believe that this board, when established, will be able to bring together the various facts and suggestions and give them proper consideration. The provinces in the Atlantic area can get together and make their presentations to the board in the best way possible. It has been suggested that APEC has carried out research in various areas so why go into them again. There are always other things to learn. I feel this board could be a very potent factor in the Atlantic area.

I recall, for instance, that a study was carried out by an official from the Department of Trade and Commerce and an official from the Department of Labour, on my suggestion and the suggestion of the premier of Nova Scotia, in order to try to find employment for miners who have been laid off. A similar study was conducted in the Cape Breton area. I am speaking purely of local conditions at the moment, sir, but it is my hope this board will take the study which was made by these two learned gentlemen and give it proper consideration. I have a copy of that report, which is confidential, and it reveals that in a surplus labour area such as Pictou county there are some of the best workers available. Some of them are trained but others would need training and are capable of being trained.

The hon. member for Bonavista-Twillingate pointed out many things the former

administration had accomplished, such as Camp Gagetown, the Canso causeway and so on. May I point out some of the things which have been accomplished by the present government. One was a measure to assist our working force through the establishment of a vocational training school in our area. It is now being constructed at Stellarton and will be ready around the first of the year, I am told. This was made possible through a grant of 75 per cent of the cost of construction from this government. It is true that we need other types of industry in an area like this which, as I say, is a surplus labour area. We have a heavy steel industry but we need secondary industry, and I think this board could look into the matter of enlarging this area of expansion. For instance, in the Trenton plants there is need for a certain type of hammer which will enable the steel works part of those plants to go into other lines of production.

We must keep the industry we have and we must also look for additional industry. We can do this by extra tax incentives and other measures. We have given some already, but more should be done to give further tax incentives and help secondary industry come into the area. This board could examine the work done by Industrial Estates, the crown company set up by the provincial government which has been able to attract two small industries into my area, and work along with it. One is an Italian knitting plant, which is doing very well. The other, the Canada Envelope Company, will be opening early in the new year. They are the type of plants we need, and this is the type of work which the board should tackle first in order to provide employment in labour surplus areas and elsewhere throughout the Atlantic provinces.

I have already referred to the Atlantic Provinces Power Development Act and the grants which this government has given to help provide educational services and roads in the province where I live. At the present time a trans-Canada highway project is being carried out in the New Glasgow-Stellarton area which will cost several millions of dollars and is providing employment. It should help to attract more industry to the industrial area of New Glasgow, and provide necessary roads.

There is not much more I can say before taking my seat, except that the government has not done everything it could for the Atlantic provinces. I frankly admit that, but I have pointed out certain things that have been done and we must continue to fight for other things. The establishment of this board will help us to do that.

[Mr. MacEwan.]

References have been made to the terms of the bill, and I think the terms are wide enough to do the necessary work. Let us forget about the wording. Let us forget about amending it. Let us get the board working. The time has come for action. We have carried out certain projects during the last five years; now let us keep matters rolling along. I commend the minister for introducing this legislation.

Mr. John B. Stewart (Antigonish-Guysborough): Mr. Speaker, this is not a debate on the merits of APEC, and accordingly I shall not deal with the remarks, or alleged reaction of that organization to the bill presently before us. I listened very attentively to the remarks of the hon. member for Pictou, who has just taken his seat. I found what he had to say very interesting, because what he said was much more specific than what the minister said when speaking on the resolution and on the motion for second reading. I only hope that the kind of projects which the hon. member for Pictou sees hidden in the vague language of this bill are indeed hidden there.

Yesterday the hon. member for Bonavista-Twillingate made a suggestion to the government through the Minister of National Revenue. He suggested that there was a general desire shared by all hon. members to get on with the business of the country in this house, and he recognized the general importance of trying to improve the economic position of the Atlantic area. In view of these two considerations the hon. member proposed that after second reading the bill be sent to one of the standing committees, where this legislation, which after all is the government's principal approach to one of the nation's greatest problems, would receive the careful scrutiny that it undoubtedly deserves. In a committee discussions would proceed easily and proposals would be made. I gather the hon. member for Cape Breton South (Mr. MacInnis) would like to move some amendments to the bill, and the virtues of those amendments could be examined in the committee. Indeed proposals, suggestions and amendments might come from all quarters of the house, and I should hope they would. The Minister of National Revenue must appreciate the merit of this invitation, and I invite him, when concluding this debate, to tell us his reaction to the suggestion made by the hon. member for Bonavista-Twillingate.

I do not think there is any doubt that hon. members from the Atlantic area propose to support this motion for second reading but, Mr. Speaker, I for one would be less than frank if I did not express the mixture of uncertainty and disappointment which I felt when I first studied the bill. In the first place

the government does not seem to have appraised accurately the seriousness of the problems of the Atlantic area, or to have appraised accurately the scope of action that will be required to deal efficaciously with these problems. It provides for an unpaid board which is to meet once a year. It is true the chairman is to receive an honorarium of $3,000, and it is also true that the board can meet more frequently, but that is what is laid out in the bill itself, and to me this suggests that this board is not expected to accomplish very much.

In the second place, I do not think the board confronts the general problems of our area head on. We all know what those problems are. They are three in number. First there is the matter of our tariff policy. This is a national question; it is not simply a regional one. We all know that since 1879, no matter what government was in office, we have had a tariff policy that has been highly unfavourable to producers and consumers in the maritime provinces. As I say, this is a matter of national policy, so I do not see how this particular board, which is primarily regional in its focus, will be able to cope with all the national ramifications of a change in our tariff policy.

Mr. Speaker, in case you may think this matter is somewhat irrelevant to the motion for second reading of this bill, let me call to your attention a speech made at Kentville by the Minister of Finance last March. The newspaper report of that speech quoted the minister as saying that if Britain were to join the European common market then Sydney or Glace Bay could, within a lifetime, become as large as present day Toronto. This suggests the intimate connection between matters of trade and tariff policy and prosperity in the maritime and Atlantic area of Canada.

Then there is another general problem which is not confronted head on by this board. That is the matter of transportation. Here again we all know what the situation is. We all know that governments over the years have been concerned with this matter, and indeed went so far as to create a royal commission to look into it. The royal commission reported that by reason of the development of competition, particularly trucking competition, in central Canada the railways are having a tough time making ends meet in the extremities of the country. Consequently they apply for permission to raise their freight rates, but this permission they use to its full extent only in those extremities. Therefore the freight rates go up in the east and the west, and they are kept down in the centre of the country by reason of the competition there. Let me read what the royal commission says on this point at page 19 of its report:

> —the most serious regional outcome of the effects of competition upon the railway rate structure arises from the fact that the railways, because they can only be certain of applying their fully allowable increases to a constantly shrinking area where competition is weak or non-existent, are forced to ask for greater percentage increases than they would if the increased rates could be applied more broadly. As a consequence, the regions where pay a larger and larger share of the revenues required to cover railway costs.

A second matter to which the royal commission referred was the nature of the rate structure. The railways use the old value of service principle in determining freight rates. This, as hon. members know, is a principle which says that a valuable commodity when transported shall pay more than a crude and undeveloped commodity; in other words, raw materials are transported cheaper than refined products. This means it is easier to export from the maritime and Atlantic provinces undeveloped raw goods than the products of secondary industries. In other words our present freight rate structure discourages the development of secondary industries in the Atlantic provinces. The matter of transportation is a great problem. I do not see that this board directly confronts this problem at all.

Then, Mr. Speaker, there is a third great problem, the geenral problem of a shortage of investment capital. We all know what happens. People in the maritimes have a long tradition of saving. They are very good at buying bank stock, I am told. They put their money in the bank or they buy insurance policies; then that money is invested, perhaps in constructing a large business building in the city of Toronto or in developing some mineral deposit in some other part of the country. In other words there is a kind of magnetic pull which attracts capital out of the maritime area, and it is very seldom reversed to push investment capital into that area.

The problem of capital investment is not simply one of people from outside the Atlantic area not looking for investment possibilities in that area. The problem is one of people in those provinces themselves saving money which is then—I hesitate to say "drained off", because that sounds somewhat subversive or invidious—transferred to other places where there may be more profit to be gained. This is a situation which will have to be corercted by political methods. There are various ways of doing this, as we all know; by low inteerst rate loans, tax nicentives and so on. We have been unable to discover just

how effective has been the present government's double depreciation allowance for certain labour surplus areas.

Mr. Martin (Essex East): Absolutely ineffective.

Mr. Stewart: It may very well have been totally ineffective; we have no information.

Mr. Martin (Essex East): I have.

Mr. Stewart: Therefore, Mr. Speaker, in so far as general problems which will set the scene for development in the Atlantic area are concerned, this board seems to miss the target almost entirely. It may touch the edge of the target as it whizzes by.

Then it does not confront head on the specific problems of specific localities. Mr. Speaker, I want to put before the house two or three illustrations. Prosperity is not simply a general thing; it is generally a local thing. It has to begin in localities; and I want to mention two or three specific localities, ones with which I am familiar, and ask the question, how does this Atlantic development board confront these specific problems in these specific localities?

First let us look at the little, old town of Canso. Canso used to be a booming place. It was from this town that the transatlantic cables made their departure from the mainland of the continent of North America. But we know that the transatlantic cables have been modernized, and indeed are likely to be rendered obsolete by more modern devices. There is now in that town only one major fish packing plant, operated by British Columbia Packers. This company owns an old factory, and they wanted to modernize it or to acquire a modern plant on the Atlantic seaboard. At this point there entered the picture no other person than that energetic man who presides over the destinies of Newfoundland, the premier of Newfoundland. What did he do? He lured the company away.

Well, we were fair sport for him. The town of Canso now needs another company to come in there. In addition, that company will need financial assistance to build a modern plant; it will need financial assistance to acquire deep sea draggers, which will be assisted by the subvention to which the hon. member for Pictou has already referred; it will need a study of the wharves, breakwaters, and channels in the harbour at Canso. We know that at least two companies are interested in going there. We know that the provincial government is aware of the prevailing problem, and I suppose the relevant federal departments are keenly interested. What is needed is some agency to draw together this interest and all these possibilities.

I had hoped that this agency, the existence of which we are now debating, might be able to provide that focal point which would bring these possibilities and interests together, but I fail to see how a board, meeting by statutory requirement only once a year, is likely to do this.

Mr. McGrath: Mr. Speaker, I wonder if the hon. member would permit a question.

Mr. Stewart: Certainly.

Mr. McGrath: I am sure the hon. gentleman would want to be fair and accurate in the very excellent speech he is making. I think if he reads the bill he will see that the board is required to meet at least once a year in the city of Ottawa, which is not exactly what the hon. member has said.

Mr. Stewart: I know this is what the bill says. But am I to understand that the bill is so vague that it only implies that the board is required by law to meet at least once a year elsewhere than in the city of Ottawa?

Mr. McGrath: That is the implication I take from it.

Mr. Martin (Essex East): It is not the implication I take.

Mr. Stewart: If that is the implication, I think we will have to have an amendment.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, may I ask the hon. member a question. Has he read the full paragraph?

Mr. Stewart: I have indeed.

Mr. Flemming (Victoria-Carleton): Then I would ask the hon. member to read the full paragraph now for the benefit of the house.

Mr. Stewart: I am sure the minister will be happy to read his own prose himself, and give it the proper inflection necessary to discover what it conceals.

Mr. Flemming (Victoria-Carleton): I would be very glad to read it, Mr. Speaker, if you would permit me.

Mr. Stewart: The minister will have an opportunity. I did not intend to be unfair. I am merely suggesting that all that is required by the bill is that the board meet once a year.

An hon. Member: In Ottawa.

Mr. Flemming (Victoria-Carleton): It says it shall meet at such time and at such place as necessary.

Mr. Stewart: It does not say that it will meet any specific number of times elsewhere.

Mr. Speaker, let me give you another illustration. Let me give you as another specific illustration, the town of Mulgrave. Here the

situation is less desperate than the situation prevailing in Canso. In the town of Mulgrave there are excellent opportunities for development; and I think these opportunities should be exploited. For example, there is a first-class harbour there. It is said by many citizens, and I have no reason to doubt their veracity, that this is the best harbour on the eastern seaboard of North America. It is deep, and it is ice-free. It is on the main line of the Canadian National Railways between Montreal and Sydney, and it is on the main trans-Canada highway. What is required for the development of this potentially great harbour midway between the United States seaboard ports and the St. Lawrence seaway is co-operation—co-operation by the government of Nova Scotia, the town of Mulgrave, and Department of Transport, the Department of Public Works, and the Canadian National Railways. I will not mention the number of times that this board is supposed to meet, which is apparently a matter of some uncertainty; but if the board is going to be able to pull together all these agencies, all of which I am sure are willing to co-operate, then I do not find anything in this bill which leads me to believe that that will be the case. The Minister of National Revenue (Mr. Flemming) is a well-meaning man, and perhaps within his personality I might find some reason to believe that the board would co-operate to this end if he were the minister involved. But we are not concerned with the personality of the minister; we are concerned with the text of this bill.

If I may trespass again on the territory of the hon. member for Pictou, here is an area which has a long and distinguished history of industrial production which, under one government or another—let us not encumber the question by party politics—has been declining, largely for the reasons I mentioned earlier: transportation problems, capital problems, and tariff problems. I would hope that this board would be able to move into that area, and to assist in a very active way the energetic labour groups and management groups in that place. On the face of the bill, which after all is all I can rely on, I can see nothing which suggests to me that the board will indeed do that. Consequently, I find the proposal to set up this board somewhat unsatisfactory.

As I studied the speech of the Minister of National Revenue on resolution stage and what he said on second reading, I was impressed by the prominence he gave, when he described the work of the board, to projects such as the Chignecto canal and the Prince Edward Island causeway. Mr. Speaker, let there be no misunderstanding: we are anxious that those projects shall be proceeded with, if they are feasible. In fact, sometimes I think we are more anxious about this than members on the opposite side of the house; but be that as it may.

What I am suggesting to you, sir, is that capital projects of this kind do not come to grips with the fundamental economic problems of our area. This board may be very useful in sorting out the numerous demands for public expenditure on capital projects, and in the ranking of them in some sort of priority, so that a government of any political stripe may not be embarrassed by one area saying to the government that other areas had received benefits while they received nothing. But I do not think that this kind of device is what was conceived by the people of the Atlantic provinces when they anticipated action from this government. Capital projects are but a minor part of what is needed for the development of the Atlantic provinces.

As I read this bill, I begin to think that the ministers have realized that they have not succeeded in devoting enough time and thought to the problems of our area. Like most of us sometimes do, they are setting up a device to do their work for them. If all this board is to be is an advisory board with a very small budget which is to act as a screen for the failure of ministers to find time and energy to do a job, then I am afraid the board will be a failure. I hope that the expectations of the hon. member for Pictou will be realized, but I believe, sir, that he is proceeding largely on his own good nature and on unfounded assumptions.

Mr. Deputy Speaker: Order. I should point out to the hon. member for Chicoutimi (Mr. Cote) that at the time I recognized the hon. member for Antigonish-Guysborough (Mr. Stewart) I did not realize that his group had not had the chance to speak at least once on second reading, and I apologize to him.

(Translation):

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, a project for the establishment of another board is brought before us this afternoon.

It sure takes a lot of boards of all kinds to operate the economic machinery of this country, and that, merely because the financial gear is unsound. That is how the old Conservative, Liberal and socialist parties try to cure economic ills, not daring to get to the bottom of the problem. They prefer to come out with ready-made plans rather than go to the source of the economic plight brought about by an obsolete financial system which puts up blockades in every segment of the national economy and prevents the Canadian consumer from buying the goods that are produced.

However, the bill for the establishment of the Atlantic development board, as put forth by the Minister of National Revenue (Mr. Flemming), commends itself to us because of the goal it seeks to achieve, that is, to promote to the fullest extent possible the industrial, commercial and agricultural development of the Atlantic regions and, consequently, to ensure the well-being of the people and families who live in those great regions, a great number of which are bound to the population of Quebec by their French origin, their French culture and their French civilization. I take this opportunity to pay special tribute to the whole French-speaking population of those provinces, to whom I send a fraternal greeting.

Last summer I had the privilege of coming into close contact with the best people of New Brunswick and, at the same time, to meet many officials of the APEC. This enabled me to grasp the full importance of the serious economic problems our compatriots in the maritimes have to face in the obsolete framework of liberalism where we are all choking as if we were in strait-jackets.

That situation compels us to adopt serious corrective measures in the Atlantic area, as well as in all the regions of Canada, in order to put a stop to unemployment, hardship and lack of security which are the lot of so many Canadians.

During the last 50 years, scientific and technical developments have completely transformed our means of production, thus upsetting our economic and social system, sowing trouble and confusion in the minds of our contemporaries who persist in believing that the capitalist system of debt money has been created by providence to last as long as the solar system and that any other economic system is inconceivable. Mr. Speaker, that is the great error of some official economists who have forgotten to change with the times.

I wish to advise the hon. members of the house that the economic development of the Atlantic region will never be adequately promoted as long as they believe that we need foreign capital to attain that objective, or that all social capital outlays will have to come from money borrowed at high interest rates or from credit created by commercial banks. Let us leave to the Bank of Canada, through a branch that would be called the "municipal development bank", or, in other words, the "social financing bank", the task of providing all the capital needed to meet the public needs of Canada, and at administrative cost, while respecting the autonomy of each province and provincial-municipal relations, always in relation to our means of production, in such a way that there will no longer be inflation or deflation of our money, as it happened constantly under the old parties, Liberal and Conservative. It will be possible for the Atlantic area to enjoy a tremendous economic development, and the same will apply to all other provinces in this country, when, through the means I have just advocated, we will allow the savings of our citizens and the capital accumulated in finance institutions to play their part to the full, in all security for those savings and that capital, through investment in the industrial and business fields. In that way, Canadians will regain control of their economy and the Atlantic area will no longer have to suffer economic depression in the midst of extremely rich natural resources.

Since the hon. member for Burnaby-Coquitlam (Mr. Douglas) advocated the establishment of a department of the Atlantic with a deputy minister and other officials, I suggest that the government should soon consider establishing such a department to look after the economic development of the socialist province of Saskatchewan.

We, of the Social Credit, would like the Gaspe peninsula and the Saguenay area to be considered as being part of the Atlantic area and we respectfully but strongly suggest that a Quebec representative be appointed on this Atlantic development board.

(Text):

Mr. L. R. Crouse (Queens-Lunenburg): Mr. Speaker, it is with pleasure that I rise to speak on this bill for it indicates the concern of the present Conservative government for the future well-being of the citizens in the Atlantic provinces. I am sure that all maritimers were pleased to hear the Governor General read in the speech from the throne the following:

> You will be asked to authorize the establishment of an Atlantic development board to advise on measures and projects that will promote the economic development of the Atlantic region of Canada.

This, Mr. Speaker, is a problem that has troubled maritimers and Canadians in general for many years. It is a problem that was recognized by the former Liberal administration during their 22 years in office but unfortunately they did very little about it. I cannot say that they did not do anything

about it, as they appointed a royal commission to bring in a report on Canada's economic prospects. The chairman of this commission is now the hon. member for Davenport (Mr. Gordon). I believe his words should be required reading for every maritimer. I have placed some of them on the record previously. However, a few of them will bear repeating as they form the basis for an Atlantic development board. He states:

About one and three quarter million Canadians, or over 10 per cent of the total population live in the Atlantic region.

He continued by stating as follows:

It is a fact, however, that average incomes in this region continue to lag behind the averages for the rest of Canada. In 1926, for example, the average income per capita in the three maritime provinces was 38 per cent below the average for the other six provinces; in 1955, the average income for the Atlantic provinces, including Newfoundland, was 37 per cent below the average for the other six provinces.

These are interesting figures. I wish that the hon. member for Davenport had more than an academic interest in the problems of the maritimes and were in his seat today as I should like to ask him if it was not a fact that in the years 1939 to 1955 a Liberal government was in power when our income in the Atlantic provinces was 37 per cent below the national average. And what did the Liberal party do about this problem?

Mr. McGrath: Nothing.

Mr. Crouse: The answer is nothing, as my friend the hon. member for St. John's East interjects. Perhaps one of the reasons they did nothing is that the hon. member for Davenport was at that time economic adviser to the government. I continue the quotation:

—the fact remains that living standards are lower in the Atlantic provinces than they are in the rest of Canada, and that it is in everyone's interest to reduce this differential, if it is at all possible to do so. It is not suggested that this should be accomplished by ad hoc projects and handouts. Such measures are as unpalatable to the recipients as they are to those who must foot the bills—

If it should turn out that there is not the necessary combination of resources in sufficient quantities to permit a substantial rise in the living standards in the Atlantic region, generous assistance should be given to those people who might wish to move to other parts of Canada where there may be greater opportunities.

This is bold and imaginative Liberal policy. It is typical of the attitude of the Liberal party toward the Atlantic provinces during their 22 years in office. It was a negative, do nothing, move out policy, on a one-way Liberal ticket to nowhere. We in the Atlantic provinces did not take the advice of the hon. member for Davenport. We did not move out and we do not intend to do so, for under the present Conservative government in Nova Scotia and under the present Conservative government in Ottawa we have greater hope for our economic future than ever before in our history. Our policy is in violent disagreement with the policy of the Liberal party. We believe in ad hoc projects to stimulate the economy of an area that has been so long neglected by the Liberal party. One of the first acts of the present Conservative government was to approve the Atlantic provinces adjustment grants to pay $100 million over a four year period. This fact has never been mentioned by any Liberal speakers in this debate.

Mr. McGrath: And they have now been increased.

Mr. Crouse: These adjustment grants have now been increased to $175 million over the next five years. These grants could well be considered the forerunner of the Atlantic development board and they have enabled the provincial governments in the Atlantic provinces to establish industrial estates, to expand their fishermen's loan boards and to promote much needed industry for the benefit of our citizens.

This is one of the resolutions that was passed by that famous conference to which the hon. member for Bonavista-Twillingate (Mr. Pickersgill) likes to refer, which was held in Moncton on May 18, 1957. As a matter of fact, the speech he made yesterday in the house was almost a rebroadcast of a speech he made when he was in Amherst on Friday, June 8 when he stated that "the P.C. pledges are empty". He noted then that our Prime Minister (Mr. Diefenbaker) was in Moncton, the Prime Minister who has done so much for the Atlantic provinces, and what did the hon. member for Bonavista-Twillingate say? He said that the Atlantic charter was not worth the paper it was written on. That is what he thinks about the Atlantic provinces adjustment grants. That was the first resolution we passed when we met in Moncton, and though these grants have been beneficial to the Atlantic provinces it would appear that they would be the first thing that would be abolished if, heaven forbid, a Liberal government were ever elected to office, because they do not believe in ad hoc projects.

It is evident that the people of the Atlantic provinces lost faith in the Liberal party after they were 22 years in office because they never brought in any measures such as the Atlantic development board.

Mr. Caron: They did not need it then.

Mr. Crouse: Perhaps the hon. gentleman would rise and make his comments rather than making them from his seat. Our party recognized low personal wages of maritimers

as soon as we came into office, and although the hon. member for Davenport stated that if we stayed in the maritimes we would have to accept lower earnings we had other ideas and we implemented them. What has been the result? I hold in my hand statistics as to the average personal wage on a five year basis as produced by the bureau of statistics. For 1955, the last five-year period the Liberal party was in office, the average personal wage in Nova Scotia, for example, was $50.83 per week. By the month of August, 1962, this had risen to $66.34 per week. Nova Scotia today has an income 18 per cent less than the national average, which happens to be $80.85, and this is quite important having in mind the 37 per cent difference when the Liberal party was in office.

Despite these facts and the evident progress that has been made, what do we hear from our Liberal friends? The Leader of the Opposition (Mr. Pearson), as reported in the Halifax *Chronicle-Herald* of November 3, said that his party could give better government, more progressive government at this critical time. At that same time their new found disciple from Antigonish-Guysborough lamented the fact that Nova Scotia had sent nine Conservatives to the House of Commons. He said that Nova Scotia is traditionally Liberal and is now oppressed by Tory protectionism. What did he say today? He said that this board cannot be expected to accomplish very much. This type of attitude was Liberal party policy for 22 years. "We cannot do very much for the maritimes so we Liberals will do nothing."

I submit it is time to get rid of this pessimistic idea. It is time to look forward, to have a progressive twentieth century outlook for the Atlantic provinces. What do the economic indicators tell us? I do not know where the hon. member goes when he leaves here but it is certainly not back to Nova Scotia because if he did he would be aware of the progress that is being made. The improvement in economic activity in the Atlantic provinces since this government came into office in 1957 is almost astronomical. For years we were dependent upon transfer payments and upon social security and defence expenditures for a large part of our income. However, this type of dependency could not go on indefinitely, and immediately upon taking office we recognized these problems and set about doing something about them. Programs were instituted that were not merely a scratching of the surface but which would be beneficial over a long period of time.

As I said previously, the first thing we did was to bring in the adjustment grants. Armed with this additional capital, the provincial government of Nova Scotia established industrial estates which promoted new industry. Under our roads to resources program we encouraged the provinces to build new highways, and this has assisted in faster delivery of our fish to the markets in the United States. It has also brought in new tourists and last year we had a tourist season in Nova Scotia greater than we have ever had before in our history. This meant that we required more hotels and motels, and these are springing up all over the province. I ask any Liberal member in this house to stand up and deny that this is a fact.

We encouraged the construction of new technical schools. Unlike the Liberals, who gave no thought to the effects of automation upon our youth, we recognized that they cannot continue untrained and we are making every effort to provide facilities for their technical training so they will be in a position to make a contribution to industry in the future. We provided aid to the production and distribution of power. In fact, last year, for the first time in the history of Nova Scotia, we sold power to the United States where a shortage had developed. This was accomplished by transmission via the new interprovincial grid line through New Brunswick. Net generation of electrical power in the Atlantic provinces for the first seven months of 1962 was 3,267 million kilowatt hours, a rise of 9.6 per cent from the previous year. All four provinces participated in the increase.

We provided assistance to maritimers in the construction of new homes under Central Mortgage and Housing Corporation. Some hon. members may say that was not just for the Atlantic provinces alone; but that is the reason why we are here today, because this government is not a regional government. It recognizes the needs of all Canadians.

Mr. MacInnis: And you are all alone.

Mr. Crouse: No, I am not all alone. I hear the hon. member for Cape Breton South (Mr. MacInnis) say that I am all alone. I am very much in good company.

An hon. Member: He is all alone.

Mr. Crouse: I think he is all alone. This assistance to the housing industry has assisted our construction industry and you can see the beneficial effects of this program throughout the entire length and breadth of the Atlantic provinces. In fact, in the past six months new housing starts in the region rose by 15.6 per cent compared with last year.

Without question one of the most outstanding programs we have initiated for the economic development of the Atlantic provinces is the implementation of subsidies to assist

the fishermen in the construction of new draggers. At the present time there is a huge new fleet of groundfish and scallop draggers under construction in the 100 foot class and over. This fleet, it is estimated, will create more than 1,000 new jobs ashore and afloat within the next two years and it will also guarantee a continuing volume of work for the province's shipbuilding yards and the ship refitting industries.

Many of the more than 40 wooden shipbuilding yards are booked for a full year or more with orders for the fishing industry. In fact, during the first seven months of 1962 loans in Nova Scotia were approved for 15 new draggers 86 feet and over in length while loans were also approved for the construction of some 84 smaller fishing craft. This program has provided considerable stimulus to all allied industries. For example, gallows frames and trawl doors used by the large draggers, which were formerly imported from Chelsea, Massachusetts, and other American ports, are today being made in Lunenburg and Liverpool by firms like Lunenburg Foundry and Engineering Company, Limited, Atlantic Bridge Company Limited and the Steel and Engine Products plant in Liverpool. This is a new departure. In addition, they are building the scallop rakes. I submit that one of the things this board could study is the possibility of manufacturing more of the equipment used by these large trawlers and draggers that are being built for the fishing industry.

Now, these extra ships landing their increasing catches of fish have stimulated the production of bucket shops along the shore, wooden buckets and wooden boxes. I do not refer to the type of "bucket shop" we have in other sections of Canada. I refer to the construction of wooden boxes, wooden buckets, and wooden barrels in which certain species of fish are packed. At the present time we have under construction in Lunenburg a new plant covering five and a half acres under one roof which will provide a landing base for this new fleet. This plant will be able to produce 80,000 tons of processed fish per year. The plant will employ some 500 people once it gets into production in 1964 and this will add annually to the economy of Nova Scotia some $4 million. This is the type of thing that is happening under a Conservative government. We never had this sort of thing before under the Liberals.

Now, with the new ships being added to the fleet, the value of regional fish landings in the Atlantic provinces rose in the first six months of 1962 by over 14 per cent to $44 million from $38 million last year. In Newfoundland the returns were 16 per cent higher than in 1961 and in Nova Scotia the value of the catch was $15,357,000, up 16.6 per cent. This is not the only area in which improvements have been made. The Bowater's Paper Company at Brooklyn recently completed a large modernization program to the mill's electrical system which will take care of any future increase in the mill's equipment. They have also added a new chip handling system. Years ago, it was customary to throw away the slab waste in Nova Scotia. Today a number of sawmill operators in Nova Scotia now convert their slab waste to chips which Bowater's purchase as part of their wood supply. This brings new money into the province as Bowater's export newsprint as far away as India, Africa, Australia, New Zealand and the United States. At the present time newsprint production is being maintained at very satisfactory levels.

Now, briefly, I should say that our other industries are expanding. For example, pulpwood production in the Atlantic provinces for the first six months of 1962 was 1,136,000 rough cords, up 29 per cent over last year. New Brunswick had the largest increase, and I am pleased to be able to say this because the bill under debate is being introduced by the minister from New Brunswick for whom I have a very high regard. The province of New Brunswick developed 627,000 rough cords, representing an increase of 43 per cent. Solid gains in output over last year have been made in sawn lumber and production rose 16 per cent in the first six months of 1962 to 356 million board feet.

Even manufacturing in the Atlantic provinces is on the upgrade. During the first seven months of this year manufacturing shipments stood at $534 million, a rise of almost 3 per cent over the same period in 1961. In Nova Scotia, our factory shipments exceeded $200 million, up more than 5 per cent over last year.

You might say, what does all this prove? If those figures are true, why do you need an Atlantic development board? Well, this all proves that, in the first instance, today we have in Ottawa a government which in the short period between June 10, 1957 and the present day has taken action, has made decisions, that have been helpful in correcting the over-all problems of the Atlantic provinces. This is what is proven. Unlike the Liberal government which for 22 years was informed of the problem but took no action, this government has taken action and has shown it is a government of decision. I should perhaps be fair to the hon. member for Davenport (Mr. Gordon), although he is not here. He did have a solution for our problems. He said, move out.

Mr. Robichaud: He never said that; you know better.

Mr. Crouse: What a loss it would have been to Canada if we had taken his advice.

Mr. Robichaud: You know he never said that.

Mr. Crouse: The hon. member for Gloucester (Mr. Robichaud)—and I listened to his words of wisdom—obviously, has not been back to the Atlantic provinces recently because no one could even fly over them without seeing the neon lights and the blossoming suburbs which indicate that we are forging ahead.

The goal of the Conservative party is to bring about employment opportunities in the Atlantic provinces so that our citizens have jobs at salaries close to the national average. We want to develop our area; we want to stop the drain on our manpower so prevalent for so many years under the Liberals. As I mentioned previously, the measures already enacted have been most helpful. However, I would not have you believe all our problems have been solved. There are still some areas of Nova Scotia that are underdeveloped, areas in the Atlantic provinces that are underdeveloped. This is the result of a lack of employment opportunities.

I would suggest that we might ask this board to give some consideration to the further development of our gypsum deposits, and the processing of them. We can mine two million tons of gypsum per year for 100 years and we would still have some reserves. We have whales going up and down the coast, and we could give some thought to the canning and processing of them. To the best of my knowledge, there is no canning of tuna in the Atlantic provinces anywhere. Now, some hon. member may correct my statement, but I do not believe there is a can of tuna put up in the provinces of New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland today. This is one of the products of the sea that is gaining increasing favour with consumers not only in Canada but in the United States.

I would ask the board to start a search for minerals through the new oceanographic institute that has been located on the shores of Bedford basin. They could search for minerals on the shores of our continental shelf. We must carry out a greater search for oil, for gas and for other minerals and actively process them. There are a multitude of jobs the Atlantic development board, when established, could do. I do not go along with the hon. member for Gloucester or the hon. member for Bonavista-Twillingate (Mr. Pickersgill) when they criticize this government for not setting the amount this board could spend. This, I submit, would put a limitation on the number of projects the board could develop for the assistance of the area. This government will back up the board, I am certain, when the projects it recommends to the treasury board are judged feasible. I am sure this government will back up this board because it has been the intention of our Prime Minister (Mr. Diefenbaker) and of the Conservative government since we were first elected to bring about a better economic standard in the Atlantic provinces. I am sure that we intend to continue bringing this area up to the level of the rest of Canada. However, it is costly to maintain underemployment in any part of Canada, including the Atlantic provinces. It will be the purpose of this board to correct this situation.

What we need are policies which are aimed at the creation of new production, employment and new income. In the long run, this will be beneficial not only to the people of the Atlantic provinces but to Canadians as a whole. Another project to which this board could give consideration would be the production of cranberries. In Cape Cod they have made this a major industry. Here in Ottawa, you buy cranberries packaged and processed in Cape Cod. Cranberries grow well in all areas of the Atlantic provinces. This is a project to which consideration might well be given by this board in an effort to stimulate our economy.

I am in agreement with one thing which the hon. member for Bonavista-Twillingate stated—I note he is not here today—namely his suggestion that we might take a closer look at our traditional markets in the West Indies. I believe the hon. member for Gloucester also mentioned this.

The volume of business between Canada and the British Caribbean is showing a steady growth and our commercial relations continue to be governed by the Canada West Indies trade agreement of 1926 which provides for the exchange of preferential tariff treatment. Our economies are complementary and there is a geographical proximity to the Atlantic provinces. With improved transportation and communications, plus the flow of Canadian tourists, trade missions and our Canadian assistance program there is no reason why we should not increase our long established trade with Trinidad, Tobago, Barbados, Jamaica and the Windward and Leeward Islands.

Last year we imported over $84 million worth of goods from the West Indies while we exported only $56 million worth, so there is quite a difference in our trade balance. Clearly it is up to us in the Atlantic provinces to stimulate further the sales of our fish, lumber, newsprint, tinned milk, potatoes,

onions, apples and paper products, all of which are grown and processed in the Atlantic provinces and which would greatly improve our employment opportunities if we increased our sales.

I am certain the Atlantic development board will be beneficial to our area and, working together with the leaders of our provincial governments and established industries it will bring about a more stable economy and a higher standard of living for all our people. At this point I would like to pay a tribute to Mr. Michael Waddell of the *Atlantic Advocate* for the time and effort he has put into dealing with Atlantic region problems. I have read his editorials and comments and he has devoted space in his periodical to bring our needs not only to the attention of maritimers but to all of Canada.

Mr. Barnett: I wonder if the hon. member would permit a question?

Mr. Crouse: Certainly.

Mr. Barnett: I would like to ask the hon. member, in relation to some remarks he was making earlier in his speech in which he referred to the non-accomplishments of the Liberal administration—and I shall not quarrel with his assessment of those—how he reconciles some of the statements he was making in that portion of his speech with a statement which appeared in the July "APEC Newsletter" in which there was reference to the disparity between average personal income levels in the Atlantic provinces and the rest of Canada. That article states:

> Perhaps, however, the most disturbing feature of this situation is that there has been virtually no change in it since 1950.

The statistics they were referring to were those for 1960.

Mr. Crouse: Mr. Speaker, I am not entirely certain that I get the impact of the question. I quoted figures for Nova Scotia in my speech. They were figures I obtained from the dominion bureau of statistics, and I shall put them on the record again. In 1955 the average personal weekly wage in Nova Scotia was $50.83 and in the month of August, 1962, it was $66.34. While I am not really a good mathematician I compute that to be approximately 18 per cent below the national average, which is reputed to be $80.85.

Mr. Robichaud: What about the cost of living in the same period?

Mr. Crouse: The hon. member for Gloucester talks about the cost of living. Again we get this pessimistic Liberal attitude. Even though we have done these things they cannot stand up and agree that the progress made in Nova Scotia was on a non-partisan basis. Why not accept this progress? As the minister from New Brunswick stated when he introduced this bill, let us forget this partisanship and go on from here.

Mr. MacInnis: Would the hon. member permit one more question?

Mr. Crouse: Certainly.

Mr. MacInnis: I was just wondering with regard to some of the statements he made—and I agree many of them were true—how he relates them to the dominion bureau of statistics figures which indicate that the average level of unemployment in Canada since 1957 has been approximately 6 per cent or 7 per cent per year while in the Atlantic provinces it has run at about double that figure? How does the hon. member relate this situation to his previous statistics?

Mr. Crouse: I would just like—

Mr. Flemming (Victoria-Carleton): Mr. Speaker, on a point of order, are we having another joint debate on this? A question is one thing but a debate is another.

Mr. MacInnis: Mr. Speaker, I rise on a point of order. I would like to ask, has the Minister of National Revenue any right to terminate this debate? That surely must lie with the Chair.

Mr. Crouse: I would like to answer the question, and for the edification of hon. members I am quoting from a *Nova Scotia Newsletter* dated November, 1962, that came to my desk this morning. I am not aware if the hon. member for Cape Breton South is on its mailing list.

An hon. Member: Who publishes this?

Mr. Crouse: It is published by the government of Nova Scotia.

Mr. Robichaud: Oh.

Mr. Crouse: And for the information of the hon. member for Gloucester the figures that they receive are from the dominion bureau of statistics. I quote:

> In June there was a 3.1 per cent increase in industrial average weekly wages and salaries. The average was $66.58 up from $64.56 a year earlier.
>
> Unemployment dropped slightly. As of June 29, there were 14,358 unplaced applicants in the province, representing about 6 per cent of the labour force.

Does that answer the hon. gentleman's question? I submit that is not double the national average.

Mr. Carter: Would the hon. gentleman permit another question?

Mr. Crouse: Be my guest.

Mr. Carter: Would he say the annual average income depends solely on the weekly wage or whether it depends on the weekly wage multiplied by the number of hours worked, and involves the number of people at work?

Mr. Crouse: I do not have the answer to the hon. member's question.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have no wish to get into the family quarrel between the various members from the Atlantic provinces on both sides of the house. A long time ago I learned that when you get into a family quarrel you usually get into trouble. For three days I have listened to Liberal members claiming that the Conservatives did not do anything and are largely responsible for conditions in the maritimes, and I have listened to Conservative members blaming the Liberals for their long period of inactivity. I think it is easy for me to keep out of trouble by saying I agree that both are right. The problems of the maritimes, whether they are understated or overstated are due to the fact that both old-line parties, both provincially and federally, have had the responsibility of looking after the affairs of the Atlantic provinces ever since Canada became a nation.

I would like to commend the Minister of National Revenue for introducing legislation to set up an Atlantic economic development board. I do so for two reasons, the first being that I think we recognize today, somewhat belatedly, that economic planning is absolutely essential if our economy is going to get moving and if we are going to grapple with the problems of unemployment and a low standard of living, low compared to the potential which we might enjoy.

I am glad to have this legislation brought down for a second reason, and that is that it is particularly aimed at the problems of the Atlantic provinces and, as I said in the debate on the resolution, those provinces deserve special consideration and need special action. I think the house will generally agree with the minister in having legislation designed to do that; however I want to say to the minister that all the fears I expressed in the debate on the resolution have been more than justified after reading the terms of the bill. Having read the bill I cannot help but feel that the mountain has laboured and brought forth a mouse and that this legislation will not do the things that many of the hon. members have been talking about.

I have listened to the hon. member for Pictou (Mr. MacEwan) talking about the employment which this board will create, and the hon. member for Queens-Lunenburg (Mr. Crouse), who has just resumed his seat, talking about the new industrial development that could be brought about. But I cannot see anything in this bill that is either going to provide employment or bring into being new industries or a greater development of the resources of the Atlantic provinces. I say that for three reasons, Mr. Speaker. First of all I look at the board itself. Here is a board of five members, of which there is not to be a single full time member. Whether this board is going to meet once a year, quarterly or even monthly, surely no one in his right senses thinks a part time board meeting periodically is going to produce the kind of program that we need to make a massive assault on the social and economic problems of the Atlantic provinces. There is not even a full time chairman. I agree with the hon. member for Bonavista-Twillingate (Mr. Pickersgill) who suggested, much along the same line as the suggestion I made with reference to the national economic development board, that if you are going to tie this board into the government the chairman ought to be a minister of the crown. If that is too much to ask, then at least he should be a parliamentary secretary.

I am really disturbed by this feeble bow we in this parliament are making to the idea of economic planning. We are now going to have four planning groups. We are going to have the national economic development board, the Atlantic development board, an enlarged national productivity council and an industrial manpower adjustment council, all four of them with terms of reference which are overlapping, all of them responsible to a different minister, and none of them tied in to the government so that their recommendations and programs have any assurance of being considered.

The other thing that worries me about this board is this. With only five members it cannot possibly be representative of (a) regions, and (b) major economic groups. I would like to see a board on which the provinces concerned will be represented by allowing them to nominate someone, and the major economic groups being allowed to nominate someone who will represent them. I do not mean by this, selecting someone from an economic group, but someone nominated by an economic group who will have the authority to confer with that group and, with their agreement, commit that group to certain lines of action. If we are really going to plan the economic development of the Atlantic provinces we will have to have this kind of representation, co-ordination and participation by the various groups concerned. That is certainly not possible with a board of five part time members.

I want to hurry along, Mr. Speaker, because I do not want to hold up this bill. The second thing that concerns me about this bill is the limited scope of the board. It has the power to make an assessment of the factors relevant to economic growth; it has the power to decide whether or not certain measures, projects and existing factors may inhibit industrial development; it has power—this is what worries me most—to study particular measures or projects if they are referred to it by the minister. We have heard a great deal about the projects they will discuss, but as I read this bill they cannot discuss or make a study of any projects unless they are projects which have been referred to them by the minister. If I am wrong, or if this requires some clarification, we can discuss it in the committee. But it seems to me that is a limitation which means this board could do virtually nothing, or it could do a considerable amount if projects are referred to it; although what five people meeting several times a year can do is beyond my understanding.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, I wonder whether my hon. friend has read clause 9(d).

Mr. Douglas: Yes.

—consider and report to the minister upon any other matters that in the opinion of the board may usefully be considered—

An hon. Member: That is out of order.

Mr. Douglas: I know it is out of order for me to be quoting the bill, but the minister asked if I had read it.

Mr. Flemming (Victoria-Carleton): It takes in everything.

Mr. Douglas: They can report to the minister on matters that may usefully be considered, but I take it that under pararaph (c) the actual feasibility and economic studies that are necessary for specific projects can only be undertaken by the board if they are referred to it by the minister. I want to try and finish by five o'clock, Mr. Speaker. May I say that the third thing that concerns me about this bill is that neither in the bill nor in the statement made by the minister in introducing the bill has anything been done about an industrial development fund for the Atlantic provinces. All the talk about creating jobs, stimulating oil exploration, bringing into being new industries, means nothing unless very substantial sums of money are going to be available for implementing the recommendations of this board. This board, as it now stands, without an industrial development fund for the Atlantic provinces will not put a single man to work, will not start a single industry unless the government is prepared to indicate that large sums of money will be available. This is what worries me about all four of the boards to which I referred, the national economic development board, the Atlantic development board, the productivity council, the manpower adjustment council. None of these will create jobs—unless it is exchanging members, jobs with each other—unless the government is prepared to indicate now or at an early date that very substantial sums of capital will be available either for loans to industries or for loans to the provinces for industrial development; or the government itself, on a partnership basis with the provinces, is prepared to invest considerable sums of money to start new industries and create jobs.

Therefore, Mr. Speaker, I want to say that we in this group, while we are glad to have set up a board of this nature, must point out that its very limited scope, its part time membership and the lack of any announcement of an industrial development fund to finance its proposals make this an extremely disappointing measure in so far as carrying out the very laudable objectives which have been enunciated by the minister.

An hon. Member: Five o'clock.

(Translation):

Mr. Laurent Maltais (Saguenay): Mr. Speaker—

Mr. Speaker: I am very sorry, but it being five o'clock the house will now proceed to the consideration of private members business. Therefore we shall turn to page 20 of the order paper in order to resume consideration of the motion of Mr. Martin (Essex East).

(Text):

FINANCE

CORRESPONDENCE RESPECTING SURCHARGE ORDER IN COUNCIL

The house resumed from Thursday, November 22, consideration of the motion of Mr. Martin (Essex East):

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order, P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962, and the import control list as amended by P.C. 1962-903, dated June 24, 1962, with particular reference to the legality of such orders.

Mr. A. D. McPhillips (Parliamentary Secretary to the Minister of Fisheries): Mr. Speaker, I did not realize for the moment that we had actually arrived at this order. I wish to say a few words about this rather extraordinary notice of motion.

Mr. Martin (Essex East): Would the hon. member permit a question? Does he not think that if we were to have a vote on this matter now, in view of the protracted discussion which we have had, this would be desirable? We would be agreeable to going on with the government's request to continue with the discussion on the Atlantic development board measure. Let us have a vote now. We have had all the speeches we need. Let the house determine whether or not we should have this legal opinion.

Mr. Speaker: Notwithstanding what the hon. member has said with regard to his own motion, there are a lot of other items on the agenda for consideration under private members business. On the point that the hon. member raised, that we get back to the Atlantic development board, that is a matter for unanimous consent of the house, and there are a number of items on the order paper.

Mr. Martin (Essex East): Mr. Speaker, on a point of order, the house must decide these things. We are all aware of what Your Honour pointed out. I ask simply that we dispose of this. Then I am sure that the house would give careful and sympathetic consideration to the proposal made privately by the government that we should go until six o'clock with the Atlantic development board legislation.

Mr. McPhillips: Mr. Speaker, I do not know what the hon. gentleman is speaking about. He mentions some private arrangement. If there is one, it has not been brought to my attention. I propose to say a few words on the motion, because as I said a moment ago, it is a most extraordinary motion. So that we can understand the remarks I propose to make, I should like to read this motion. The motion is:

> That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order, P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962 and the import control list as amended by P.C. 1962-903, dated June 24, 1962, with particular reference to the legality of such orders.

Now, traditionally on any matter of this kind there must be exceptional grounds shown, and certainly so far as this motion is concerned no grounds whatever are shown. My submission is simply this: that seven votes of no confidence have failed, and in essence the hon. member for Essex East is using this order as a political vehicle to renew his round of abuse upon the government and to bring up again an old debate which has been decided by seven previous votes. The economic position of Canada now as compared to what it was at the time in question here shows that the action taken by the government was abundantly justified.

I should now like to make reference to the statute dealing with the Department of Justice. It is chapter 71 of the Revised Statutes of Canada, 1952. Section 1, of course, merely provides that the act may be cited as the Department of Justice Act. Section 2 provides:

> (1) There shall be a department of the government of Canada called the Department of Justice over which the Minister of Justice of Canada appointed by commission under the great seal of Canada shall preside.
>
> (2) The Minister of Justice is *ex officio* Her Majesty's attorney general of Canada, holds office during pleasure, and has the management and direction of the Department of Justice.

Section 3 provides:

> (1) The governor in council may also appoint an officer called the deputy minister of justice to hold office during pleasure.
>
> (2) The deputy minister of justice is *ex officio* the deputy attorney general.
>
> (3) Such other officers, clerks and servants as are necessary for the proper conduct of the business of the department, shall be appointed in the manner authorized by law.

Mr. Pickersgill: Mr. Speaker, I am rising on a point of order. Your Honour earlier in the debate on this motion was very strict in your interpretation of the rules. Surely it is not competent for an hon. member to get up and begin to read a statute concerning the appointment of clerks, and so on, which—I have listened attentively to the hon. gentleman so far—seems to have no bearing whatsoever on the motion before us.

Mr. McPhillips: On the point of order; I very well remember what Your Honour said: that this was a neat, small point dealing with a legal opinion. That is why I am reading the statute, because the next section deals with something relating to that.

Mr. Speaker: I must confess that I was discussing another matter of business with an hon. member of the house and I am not fully aware of what the hon. member said. But I must point out to him, in all fairness to what I have said to the other hon. members in connection with this debate, that there is a narrow point at issue here as to whether or not these documents should be produced, for reasons advanced by either the one side or the other. There is no point as to what is behind the documents or as to what effect they should or should not have. While I am not prepared to say that what the hon. member was citing was out of order, I can assure the hon. member who has drawn this point of order to my attention

that I will follow the remarks most attentively now that I have dispensed with the other matter, and I will ask the hon. member who has the floor to hew to the line very closely.

Mr. McPhillips: Mr. Speaker, I have just one other short reference to read, perhaps the most important one. Section 4 says:

The Minister of Justice shall
(a) be the official legal adviser of the Governor General and the legal member of Her Majesty's privy council for Canada;

It is to be noted that in this statute the Minister of Justice (Mr. Fleming) is one of three ministers who, besides being a minister, holds an office. Not only is he Minister of Justice, but he is Attorney General of Canada; just as the Minister of Finance (Mr. Nowlan) is also the Receiver General of Canada and has to lay matters before parliament; and as the Secretary of State (Mr. Halpenny) is Registrar General for Canada and has to lay matters before parliament. But there is nothing in the statute to require the Minister of Justice to lay anything before parliament in the matter of his position as legal adviser. Therefore the hon. member for Essex East is driven to this humble address to the crown in order to try to get a legal opinion.

Mr. Speaker, traditionally opinions of the law officers of the crown are not produced. They have been produced only in very few instances, and then on very sufficient grounds. Mr. Speaker, in my opinion the hon. member for Essex East has advanced not only insufficient grounds, but he has advanced no grounds at all. His whole argument has been one of renewed abuse on the government for a course of conduct. As far as I can see, nowhere has the hon. member produced any proper grounds.

Mr. Crestohl: Let parliament decide.

Mr. McPhillips: Parliament probably will decide.

Mr. Crestohl: Not by talking it out.

Mr. McPhillips: This point is very well set out in the sixteenth edition of Sir Erskine May's work on parliamentary practice at page 461. There is a paragraph there dealing with law officers' opinions, and we find this stated:

The opinions of the law officers of the crown, being confidential, are not usually laid before parliament or cited in debate; and their production has frequently been refused:

Then if we turn to page 270 we find this:

Parliament is invested with the power of ordering all documents to be laid before it, which are necessary for its information. Each house enjoys this authority separately, but not in all cases independently of the crown.

That is the sort of case we are dealing with now.

Accounts and papers relating to trade, finance, and general or local matters, are ordered directly, and are returned in obedience to the order of the house whence it was issued: but returns of matters connected with the exercise of the royal prerogative, are obtained by means of addresses to the crown.

The distinction between these two classes of returns should be borne in mind: as, on the one hand, it is irregular to order directly that which should be sought for by address; and, on the other, it is a compromise of the authority of parliament to resort to the crown for information which it can obtain by its own order. The application of the principle is not always clear: but, as a general rule, it may be stated that all public departments connected with the collection or management of the revenue, or which are under the control of the treasury, or are constituted or regulated by statute, may be reached by a direct order from either house of parliament: but that public officers and departments, subject to Her Majesty's secretaries of state or the privy council, are to receive their orders from the crown.

Then at page 273 we find this:

Returns may be moved for, either by order or address, relating to any public matter, in which the house or the crown has jurisdiction. They may be obtained from all public offices, and from corporations, bodies, or offices constituted for public purposes, by acts of parliament or otherwise: but not from private associations, such as Lloyd's, nor from individuals not exercising public functions. The papers and correspondence sought from government departments should be of a public and official character, and not private or confidential.

"On 3 July 1884, notice having been taken that the order for an address for a copy of Dr. Crichton Browne's treaties on education related to a private matter over which the house had no jurisdiction, and involved a question of copyright, the order was discharged."

The opinions of the law officers of the crown, given for the guidance of ministers, in any question of diplomacy or state policy, being included in the class of confidential documents, have generally been withheld from parliament.

"In 1858, this rule was, under peculiar and exceptional circumstances, departed from, and the opinions of the law officers of the crown upon the case of the Cagliari were laid before parliament."

I bring this matter to your attention, Mr. Speaker. This is one of the great authorities. This is the edition of 1957. Therefore, in 100 years there was only one instance of this kind.

However ample the power of each house to enforce the production of papers may be, a sufficient cause must be shown for the exercise of that power; and if considerations of public policy can be urged against a motion for papers, it is either withdrawn, or otherwise dealt with according to the judgment of the house.

In this instance, I would suggest to the hon. member for Essex East that this is or was a matter of state policy; and in this instance it would be in my opinion entirely proper if the hon. member would do as is suggested, namely withdraw the motion.

Mr. Martin (Essex East): Is that a question?

Correspondence on Surcharges

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, it gives me pleasure to support the motion put forward by the hon. member for Essex East (Mr. Martin).

It stands to reason that, if steps are taken to impose tariff surcharges in our country, the Canadian people should at least be informed. Even if, in the past, attempts have been made to keep voters in the dark about such questions and what was going on in parliament, I feel it is only normal to tell the public about the steps that have been taken and what has been done in the past.

It gives me all the more pleasure to support this motion that, since the beginning of this session, I have been in a position to admire the conduct of the hon. member for Essex East and to appreciate the fine speeches he has made. I have but one regret, and it is that the Liberals should not have seen fit to choose him as their leader, at their last convention, instead of the one they have now.

Mr. Habel: Tell us about Mr. Caouette and Mr. Thompson.

Mr. Gregoire: If the Liberals had seen fit to do so at that time, I think the Liberal party would have a better representation. All that, Mr. Speaker, to congratulate the hon. member for Essex East on his conduct in this house.

As far as I am concerned personally, and without mentioning other members of the group sitting in this corner of the house because each member of our party is free to do the same, I support the hon. member's proposal. But I must tell him that I intend to move an amendment to it because I think the motion for return does no go far enough. In fact, we should ask for the tabling, not only of the documents or legal opinions concerning tariff surcharges, but also of all documents necessary to set out the causes which brought about surcharges on imports. At the conclusion of my remarks, I intend to move an amendment to that effect.

Right after the election of last June 18, our country found itself in such a difficult position that the government was obliged to impose tariff surcharges on some imported goods. But that situation did not arise suddenly. On the contrary, it was due to causes that went back not only three or five years, but 10 or 15 years, to the end of the last war, that is 1945.

I would like to secure the production of all the documents that caused the flow of Canadian capital to foreign countries, that could explain steps taken since 1945, and more particularly in 1952.

[Mr. Martin (Essex East).]

Mr. Speaker, when faced with a situation similar to the one that arose suddenly before the Canadian people, last June 24, I cannot refrain from saying that the government was unable to solve the problem confronting it. I recognize also that it was too incompetent to solve it during the five years it has been in power. I recognize all that but, just the same, the underlying reasons for that situation date back to the period after the war, and particularly to the years 1945 to 1952. At that time, the Liberal party was in power and I am convinced and persuaded—because persuasion is stronger than conviction—that if documents were produced we would find that the flow of Canadian capital to foreign countries was due to action taken by the Liberal party between 1945 and 1952, in particular.

That is why, Mr. Speaker, I am asking that some light be thrown, not only on the present lack of efficiency of the government which is looking after this country's business, but also, and more particularly, on the lack of efficiency and action on the part of the Liberal government which preceded it, and which was the direct and immediate cause of the mess in which the Conservative government now finds itself.

Mr. Speaker, I think some light should be thrown on it all.

What is, after all, the cause of this flight of capital? It is that, for much too long a time, our rulers went outside this country to beg for funds at some time or other, and they now have to pay interest on this money. For much too long a time, also, our administrations, whether they were Grit or Tory —to me it is one and the same thing—acted in one and the same way. They did not carry out their responsibilities and they allowed foreign interests to settle in this country because they did not take the necessary steps to create Canadian capital. Today, when the measure is full, we see Canadian companies pay interest on foreign capital, and our governments, not only the federal government but the provincial governments as well, must, because of a lack of capital in Canada, issue bonds on foreign markets. The same thing applies to our municipal governments and school boards who went outside this country to sell their bonds. At the time, they were able to obtain funds, but come the day when they have to pay interest thereon, and reimburse that foreign capital, they find themselves in the same situation as the Conservative government was after the last election.

Mr. Speaker, we are asking that all those documents be produced, because we believe that those who are chiefly responsible, and who should have reacted before it was too late, because of a lack of efficiency and action—

Mr. Speaker: Order.

Mr. Gregoire: —are again the members of the government which has—

Mr. Speaker: Order.

Mr. Gregoire: —led us for 22 years.

Mr. Speaker: Order.

I must tell the hon. member that, in moving his motion, his remarks are limited to the tabling of papers, which has nothing to do with the reasons which have caused a government to act one way or another. I must admit that the hon. member's remarks are not in that line, because in moving an amendment, he deals at once with that matter which is out of order in the course of this debate. Then, if the hon. member can indicate that the government, for the same reasons, should produce the documents he requests, without however stating that some previous administrations have done something wrong or nothing of value—this is of little importance—but he must establish the reasons why the government should produce documents, I do not know what kind of documents—

Mr. Gregoire: I shall tell you what kind of documents, Mr. Speaker.

Now let me tell you, Mr. Speaker, that I find your remarks fair. As for me, in spite of all the respect I have for the hon. member for Essex East (Mr. Martin)—and I trust you do believe me—I consider the production of simple legal documents as so much useless trouble. What is really needed is an assessment of the situation, to pinpoint its causes, so as to avoid its repetition in the future.

As I said at the outset, I am interested in the production of those legal opinions. We shall then see if the government was right or wrong in taking the steps it did take. I am interested in this but nevertheless, to my way of thinking, that is not the important point. The important point, Mr. Speaker, is to find out not only who is responsible but, above all, what caused the situation which arose after the election, in June 1962.

Now, as far as this production of documents is concerned, the documents which can establish the causes of the austerity program are those which indicate the principles at the basis of the program, or the actions which have brought it about. And it is important to us to bring those actions to light. They are two sets of actions: the borrowings on foreign markets, for want of capital in Canada, and the establishment of foreign companies in our country. Those were the two main causes of the flight of our capital to foreign countries.

Now, which documents are liable to show whether the two causes I have just referred to are really those which are responsible for the draining of Canadian currencies towards foreign countries.

These documents are the following: in the first place, the series of bonds issued by the federal government, various provincial governments, municipalities and school boards, which were sold on foreign markets and bought by foreigners in New York, in Paris, in Switzerland and elsewhere.

Second, what interest was paid to those foreigners on bonds issued by the different levels of government I have indicated earlier?

Third, it would be a good thing to see how much foreign capital has been entering Canada since, let us say, 1945 or even 1942, in the form of investments for the development of:

(a) our natural resources;

(b) our industries and manufactures; and

(c) our financial institutions, that is, insurance companies, finance corporations, loan companies, etc.

When we have all those documents, Mr. Speaker, and if you allow me two minutes, I shall prove my assertion.

Mr. Speaker: I would just like to ask the hon. member how he can connect his request for that information with the documents mentioned in this order for return.

The hon. member for Essex East is not asking for information but for the tabling of documents which, according to him, truly exist. The hon. member for Essex East claims that those documents truly exist.

Is it the contention of the hon. member for Lapointe that the documents and information he requests exist at the present time?

Mr. Gregoire: Naturally, they exist. I am sure of that, Mr. Speaker.

Correspondence on Surcharges

I say that if the federal and provincial governments have offered those bonds on foreign markets, there are documents in that connection. Furthermore, those documents must be in the records of the Department of National Revenue, in Ottawa.

Then, they exist there. Let them look in the files under the title "foreign capital invested in Canada" and if they do not find them there, the only solution will be to hire qualified personnel for the national revenue department.

But such documents must exist. I would even say that they do, because there is an awareness in that place of all capital entering Canada, as expenditures or as investments in our country.

That is why I say that those documents exist and they are the ones we want to see placed at the disposal of the hon. members of this house.

Now what are those documents? They are the documents in the national revenue department. Because it is mentioned here:

or of any other government department or agency—

be it the customs or the federal income tax department.

What are the amounts of money which have been paid out of Canada since 1942 in interests on bonds issued by: (a) the Canadian government; (b) the provincial governments; (c) school boards; (d) municipal corporations?

What are the interests on all those bonds which have been paid to foreign corporations because those securities have been sold on the foreign market?

That is the first series of documents which we want tabled, and those documents do exist.

The second series of documents which we want tabled in this house are those showing the interest paid to or the profits made by foreign companies established in Canada since 1942—let us forget about those which were established before, to concentrate on those companies established since 1942 in Canada—and the profits which left the country. Such documents exist because all profits on foreign capital are taxable before they are transferred to foreign countries.

When those documents are tabled in the house, Mr. Speaker, the conclusion can then be reached that when the Conservative government came into power, it found itself at grips with conditions which had been brought about by the previous government. Then, Mr. Speaker, the present government found out that it was in trouble because of the previous government, and it was not competent enough to cope with that situation.

Mr. Speaker: Order.

Mr. Gregoire: That, Mr. Speaker, is what we are suggesting in our amendment.

Mr. Speaker: Order. I must point out to the hon. member that his remarks are completely out of order, since he is dealing with a matter which has nothing to do with the resolution introduced by the hon. member for Essex East (Mr. Martin).

Furthermore, even if the hon. member had introduced an amendment, I would have had to tell him that it was absolutely out of order, since, according to standing order 41: "Forty eight hours' notice shall be given of a motion for leave to present a bill, resolution or address", and we are precisely dealing here with an address to Her Majesty for a return of certain documents.

Mr. Gregoire: You could not have said it earlier?

Mr. Speaker: The hon. member is now asking for the production of certain documents. I do not intend to go into the merits of that request, which I find somewhat strange, but even without considering the nature of such documents, he cannot introduce an amendment unless he himself gives a 48-hours' notice.

I would therefore point out to the hon. member that, under standing order 41, he may table his notice in the clerk's office before 6 o'clock p.m., after which his amendment may be considered.

Mr. Gregoire: Mr. Speaker—

Mr. Speaker: I very much regret, but the hon. member cannot discuss the motion any longer, his time being expired.

Mr. Gregoire: On a point of order, Mr. Speaker, I spoke for 15 minutes, and I think there remains several minutes unspent in the period which was allotted to me, and which you have been kind enough to take yourself.

Mr. Speaker: Not at all. An hon. member cannot require an additional period of time because he has infringed the rules; he certainly cannot be granted any indulgence.

(Text):

Mr. Frank Howard (Skeena): Mr. Speaker, I am led to say immediately, "nice try". There was not any doubt in my mind about the course of action which should be followed with regard to this particular motion. If there

had been it was dispelled by listening to the hon. member for Victoria, B.C. (Mr. McPhillips), who spoke at the commencement of this hour. His eloquence, his fervour, the intimacy with which he approached this question, convinced me beyond the shadow of a doubt that the motion should be voted upon, and we should vote for it.

Mr. R. G. L. Fairweather (Royal): I am glad to contribute to the debate, Mr. Speaker, which I think is related to a fundamental principle. The hon. member for Lapointe (Mr. Gregoire), who just preceded me—no, who preceded me save one: We had a hiccup from the hon. member for Skeena and from the hon. member for Lapointe we had something that reminded me of a child's cough. Once it is wound up it is difficult to get it to stop, the best thing to do is let it unwind.

An hon. Member: How are we going to get you to stop?

Mr. Fairweather: I will stop at the end of my time.

I think the hon. member for Lapointe has misinterpreted the reason for the stand taken by the government. This stand is not based upon keeping facts from the voters as he suggested. The voters have had since September 27 to listen to the facts leading up to the enactment of these orders in council. There is a very important principle involved. It seems to me that to compel the production of legal opinions furnished by the deputy attorney general or by the attorney general, as we have been advised, to his minister and to the privy council, would be a breach, as was suggested by my hon. friend for Victoria, B.C., of the traditions of this house and of Westminster.

The hon. member for Essex East, in proposing the motion was not under the slightest illusion that it would be rejected. Had the situation been reversed, had the hon. member for Essex East who is a master of the rules and a senior member of the house, been occupying the treasury benches, I can well imagine the excellent presentation he would have made, in refusing to make public the information that he now seeks. I was going to say "seeks" with some cynicism but I will not impute motives.

I should like to say a word or two on the related sample cited by the hon. member for Essex East concerning Mr. Guthrie, the minister of justice in the Bennett administration. I submit that the present Minister of Justice (Mr. Fleming) has given the house exactly the same information about the validity of the 1962 orders in council covered by the motion before us today as Mr. Guthrie gave in that earlier day. The only difference I suggest is that in 1935 it was felt necessary by the administration, presumably because of the somewhat radical and unorthodox statute, to go beyond the lawyers in the Department of Justice in order to seek legal opinions from two of the most eminent constitutional authorities in the country. I submit, with great deference, that was a proper thing for Mr. Guthrie to have done on that occasion because this was outside information or information from an authority outside the ambit of the department. It was quite right that this information become public.

However, in this instance there is an attempt to make public a communication between a public servant and his minister. This attempt is straining the precedent far beyond its fair and proper limits. I could say, with the greatest respect, that I feel the hon. member for Essex East failed to make a full disclosure when submitting examples and precedents to support his argument. I would have preferred a complete exposition of the Guthrie and St. Laurent incidents, rather than his presenting only those parts of the argument which were helpful to his case. After all, this court of parliament demands complete frankness by the advocate, just as it is demanded by the courts elsewhere.

Mr. Martin (Essex East): Will the hon. member permit a question?

Mr. Fairweather: Yes.

Mr. Martin (Essex East): Is the hon. gentleman trying to suggest now that the St. Laurent case, which was proceeded with pursuant to an order of the house, is not on all fours with the demand now before the house?

Mr. Fairweather: I submit that in citing the St. Laurent and Guthrie incidents, the hon. member, who has tremendous experience, did not give a full account—

Mr. Martin (Essex East): That is not my question. Does my hon. friend not think, if he appreciates the value of precedent, that the St. Laurent case is on all fours with the demand made in this motion?

Mr. Fairweather: My interpretation of the St. Laurent case is obviously different from that of the hon. member, and I would hope some day we would have an opportunity in another place for a philosophical discussion about it.

Mr. Martin (Essex East): I never expect to go to the other place.

Mr. Fairweather: I continue now, Mr. Speaker, with my modest contribution to this important public issue. It seems to me there are some intriguing features of this debate because while hon. members opposite seek to throw doubt on the legality of the action of

the privy council, that is, on the orders in council, nowhere in the country has any person or corporation affected sought a judicial interpretation of the statutes, or orders passed by virtue of these statutes.

In his November 22 contribution to the debate the hon. member for Greenwood (Mr. Brewin) said that the Prime Minister refuses to recognize that the courts even exist. I submit that it could be said, and with equal validity, that the importing concerns directly affected by the surcharges refuse to recognize the existence of the courts. If I could be permitted to venture a conjecture I would suggest there are a great number of legal opinions in the files of commercial firms right across the country recommending against challenging the validity of the orders in council. The statutes have not yet—

Mr. Pickersgill: On a point of order, Mr. Speaker, the hon. gentleman is now embarking on a discussion as to whether or not this taxation was legally imposed. His Honour, the Speaker, declined to permit that kind of discussion in the debate up to now, and restricted those of us on this side of the house to the narrow point as to whether a legal opinion given by the deputy attorney general should be produced. I submit that the ex-attorney general from New Brunswick should be restricted in the same way as other hon. members in the house.

Mr. Fairweather: I thank the hon. member for his assistance to me. I anticipated, when I set down one or two notes about this aspect of my argument, that there might be a question of order raised. Therefore I re-read the debates of November 8 and November 22 and found, with the greatest respect, Mr. Speaker, quite an amount of latitude. However, I am prepared to come perhaps a little closer to the point.

I feel, as one who had some experience in another place—and I thank the hon. member for his reference—that it would be a very grave handicap to place on public servants, if it were known that various aspects of the advice they tendered would be subject to public scrutiny.

Mr. Robichaud: Would the hon. member permit a question, in view of what he has just said? He has referred to his past responsibility in another place. Will he inform the house was he once the attorney general of a provincial government where private members were not allowed to introduce private bills?

Mr. Martin (Essex East): I cannot believe that.

[Mr. Fairweather.]

Mr. Pickersgill: No wonder he does not want legal advice scrutinized.

Mr. Fairweather: Mr. Speaker, I am quite a patient elephant in spite of the interruption of the hon. member for Gloucester (Mr Robichaud), who has not had the type of responsibility that both his distinguished colleagues sitting in front of him have had. I think if the hon. member reflected he would be just as concerned as I am about the prospect of advice or opinions tendered by public servants, no matter whether they are at the provincial or federal level, being subject to the scrutiny of the country at large. Surely the hon. members opposite who have had treasury bench experience must know this. They have had opportunities of being presented with various types of advice setting out the different implications of a particular course of action, it then being up to them to make the final decision. That is why I think it is quite wrong for this type of motion to be cynically introduced. If this type of motion were allowed to pass it would be a serious hamstringing of the public servants.

The law officers' essential obligations are to give the ministry the benefit of all sides of an argument, and I would be appalled if that should be restricted by the possibility—and it would be more than a possibility, it would be inevitable were this motion to pass—that these opinions would be examined by anyone with an interest in them. There is no mystery behind this doctrine. It has been previously supported by distinguished parliamentarians, and it was very eloquently supported by the Minister of Justice on November 8. The yielding of this procedural principle would, I suggest, bring about results far more harmful to our country and its system of government than those who present this motion, so ominously shall I say, might believe possible. On this basis I oppose the motion.

Mr. Martin (Essex East): Mr. Speaker, I am sure now that—

Mr. Bell (Saint John-Albert): Mr. Speaker, the hon. member has already spoken in the debate.

Mr. Martin (Essex East): Yes, and I am closing now. I have started my speech.

Mr. Fleming (Eglinton): You have not.

Mr. Martin (Essex East): I am closing—

Mr. Deputy Speaker: Order. I was momentarily tongue-tied trying to remember the constituency of the hon. member for Edmonton-Strathcona (Mr. Nugent), for which I am very sorry. I had to check the chart to refresh my memory. I saw that hon. member first and I shall give him the floor.

Mr. Bell (Saint John-Albert): The hon. member for Essex East cannot speak a second time.

Mr. Martin (Essex East): On a point of order, Mr. Speaker, I have no objection to the hon. gentleman speaking, but I would point out to Your Honour that I had started to make an observation and under our practice I would close the debate. As I intended to speak for two or three minutes only we would have a vote on this important matter. I would hope that the Minister of Justice, anxious for orderly procedure, would indicate that we are going to be afforded the opportunity of voting on this matter tonight. The government is anxious to get the business of the house dispatched and proceeded with. I am sure he is not going to stand in the way of a decision in this matter. If he does, then I point out to him that he will be living evidence of the obstruction which hon. gentlemen have charged some other people in this house with having pursued during the past few days.

Mr. Fleming (Eglinton): Mr. Speaker—

Mr. Deputy Speaker: Order. I would remind the hon. member for Essex East (Mr. Martin) that had I indeed recognized him, which I did not, I would have first cautioned the house that if the hon. member for Essex East spoke he would close the debate. I only mention that point to ameliorate his sensitivity on it. I now recognize the hon. member for Edmonton-Strathcona (Mr. Nugent).

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I am sure the hon. member for Essex East knew exactly how much sympathy his eloquent plea was going to receive from this side of the house—I really am—looking at the way in which this notice of motion is drawn. I am not very optimistic that even when he first put it in he had very much hope, or any hope whatsoever, that it would be passed. In fact, following the course of action which he himself took when on the treasury benches, I am sure he put the objectionable features into this notice of motion to guard even more against that contingency.

On a topic such as this I am always a little disturbed. My immediate reaction to a notice of motion for production of papers is usually that they should be produced. Public business should be publicly done; that is an old maxim that we like to stick closely to. The first reaction to a request for production of papers is to say yes, because the more we can see of what is being done and the more information and background we can get of government action, the better position we are in to judge that action, to judge the course of conduct of the government and the particular consequences of any action at which we are looking. There is, of course, quite a conflict in this case because we do have—this has been recognized over the years—the necessity of seeing that certain parts of government opinions, etc., are not made public. It is not hard to find examples, such as in wartime when government plans on defence and certain other things must be kept secret or lose their value to some extent, or perhaps entirely, because they are revealed. This—

Mr. Pickersgill: Mr. Speaker, I wonder if the hon. gentleman would permit me to ask him a question? Would he include in the category of documents that he feels should be kept secret confidential economic forecasts for the guidance of ministers only?

Mr. Fleming (Eglinton): That is irrelevant. Are you trying to delay this?

Mr. Nugent: I think the hon. member will see, Mr. Speaker, when I get to that point, that there is no similarity. We have seen over the years that each case is going to have to be judged on its merits, or that if there is a rule, the rule is varied perhaps a little bit when special cases are taken into consideration. I would think that when the case concerns the production of a legal opinion we are treading on very dangerous ground indeed. It is not the same thing as the publication of facts presented or gathered by a department. Any kind of an opinion would, I think, have to be treated in a very different manner than merely factual material.

The importance of the civil servant making sure that he can freely speak his mind, and will have to justify it only to his own department and his own minister, cannot be overrated. Certainly if a public servant is to give an opinion which is going to be broadcast to the nation and which may, in effect, be fought over in the house, where his judgment—not the judgment or the action of the government, but his judgment—is going to be the essence of a debate, then he is going to be very reluctant to give the advice or the opinion, or he is going to be much slower in formulating it. He is going to be very careful before he does anything of this kind and the immediate result would be a great slowing down, I would say, of the giving of opinions by departmental officials.

Mr. Matheson: Mr. Speaker, may I ask the hon. member if he would consider that a course of conduct on the part of the government which was in direct conflict with sections 12 and 14 of magna carta of 1215,

and section 4 of the bill of rights of 1689 would not constitute such an exception as to warrant a request for a legal opinion?

Mr. Nugent: Mr. Speaker, I am always glad to have the hon. member, under the guise of asking a question, put in a partisan speech. The principle we are discussing here is not the legality of the taxation question—if I understood the hon. member for Bonavista-Twillingate (Mr. Pickersgill) correctly, the debate should be restricted to this—but we are here talking about the production of papers, and I am trying to keep on that point.

Mr. Pickersgill: Mr. Speaker, since the hon. gentleman has drawn me into this, I wonder if I could ask him another question? Does the hon. gentleman think it is more apt to prejudice the public interest to bring down the decision given to the attorney general of Canada than to bring down the detailed statement of our reserves which the Minister of Finance (Mr. Nowlan), showing a regard for parliament that is not shown by the Minister of Justice (Mr. Fleming), did quite recently, although it must be admitted, Mr. Speaker, that he has also subsequently allowed a motion to pass without—

Mr. Fleming (Eglinton): Mr. Speaker, I rise on a point of order.

Mr. Pickersgill: The minister is not going to shout me down.

Mr. Deputy Speaker: Order.

Mr. Fleming (Eglinton): I rise on a point of order.

Mr. Pickersgill: The hon. gentleman agreed to a question and I am asking the question.

Mr. Deputy Speaker: Order.

Mr. Pickersgill: I am not going to be shouted down by the Minister of Justice.

Mr. Deputy Speaker: Order. It is well known that it is an offence to the Chair if hon. members remain on their feet while the Speaker is on his feet. First of all, dealing with the question that it was not relevant to the point under discussion, the Minister of Justice had risen on that point of order, I believe.

Mr. Fleming (Eglinton): I was rising, rather on a point of order in this connection. The hon. member rose to ask leave of the hon. member who had the floor to ask a question. Having that courtesy extended to him, he did not proceed to ask a question but he proceeded to make a speech in the plainest and most deliberate violation of the rules of the house. That was not the first time it was done today; it was done by the hon. member for

Leeds (Mr. Matheson) and by the hon. member for Essex East (Mr. Martin). I urge, Mr. Speaker, that when that courtesy is extended to hon. members opposite by a member who has the floor, the courtesy should be recognized as one that extends to the asking of a question, and not to the smuggling of a speech into the record.

Mr. Martin (Essex East): Let us have a vote.

Mr. Pickersgill: Mr. Speaker, since the point of order has been raised I would suggest that Your Honour and the member who accords the privilege should be allowed to decide these matters, without the intervention of the self-appointed Speaker who has been somewhat unemployed since he has been Minister of Justice.

Mr. Deputy Speaker: Order. It being six o'clock I do now leave the chair. At eight o'clock the house will revert to the business that was interrupted at five o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration of the motion of Mr. Flemming (Victoria-Carleton) for the second reading of Bill No. C-94, to provide for the establishment of an Atlantic development board.

(Translation):

Mr. Laureat Maltais (Saguenay): Mr. Speaker, it was not my intention to speak about Bill C-94, to provide for the establishment of an Atlantic development board, but since several members who have already spoken on this matter mentioned the area I represent, namely the Saguenay district, I feel bound to make a few comments.

Mr. Speaker, the bill now under discussion provides for the establishment of another board to study the Atlantic area which includes, according to some hon. members, the maritime provinces, Newfoundland and the ridings of Saguenay and of the Gaspe peninsula.

I should like to point out, first of all, that there are already in the areas mentioned of the province of Quebec, two bodies concerned with regional economic studies, namely the

lower St. Lawrence economic council and the gulf and lower St. Lawrence development organization, which perform at present the same duties as the board proposed in the bill now under consideration.

Mr. Speaker, I am not against the establishment of such a board to serve the district that I represent; I am all for it. But, although I agree with the principle of the bill, I cannot accept it in its present wording.

It is proposed to create a five member board, only the chairman of which will be paid $3,000 a year.

Mr. Speaker, if we consider the region that this council will serve, from an economic as well as a geographical standpoint, we realize that it will not be able to be effective, since its means are limited. In my opinion, what should be established is an economic council which would include those who already exist and which would have a budget enabling it to offer adequate salaries to its officials, its chairman, secretary and any other, in order to cover that territory. Because with $3,000, no one would succeed in covering even half of it.

Now, Mr. Speaker, while I am in favour of the principle of the bill, I do not agree with its substance, and, on third reading, I might have amendments to submit to make it more efficient.

If the Saguenay, lower St. Lawrence and Gaspe areas are incorporated in the bill, changes which have not been considered by the hon. members will have to be made to the work program of the board.

In the first place, there is the matter of a bridge across the Saguenay river. There lies the greatest obstacle to the development of the north shore. Everybody is of the opinion that such a bridge would cost $25 million. Then, there is the urgent need of a highway between the Saguenay area and Blanc Sablon. Such a road should go straight to Newfoundland by means of a causeway across the strait of Belle Isle.

At the present time, Mr. Speaker, the development of the north shore is hampered by the lack of communication between the areas. The highway does not go beyond Sept Iles and there is another 600 miles to Blanc Sablon, the point nearest to Newfoundland.

It is essential that this board be able to take effective steps to have a road built in co-operation with the Department of National Defence because such a road would be used for the defence of North America since it would serve the whole eastern part of the province of Quebec.

The causeway to link Blanc Sablon to Newfoundland, advocated by a professor at the agricultural school of St. Anne de la Pocatiere, would improve the climate in the province of Quebec, for as he said, experts have found that if that causeway were built, the temperature would gain a few degrees, which would be an asset for agriculture since the farming season could begin earlier and last longer, particularly in the Gaspe peninsula and on the north shore.

Another undertaking that should be added to the program of that board is the construction of a railway between La Malbaie and Sept Iles. At the present time, there is no railway linking that region to the rest of the province.

Mr. Speaker, it might be said in reply that water transportation is cheaper than rail transportation, but it has been proven that railways stimulate the development of underdeveloped regions.

In my opinion, the government must recognize the principle that communications must exist before economic development can be achieved, and that it is not the other way around. The government has to take the necessary action with regard to communications in that region of the province.

Some kind of planning is required within the government itself. I do not know if that is socialism, but as a start there should be planning of the government itself, planning of the activities of the various departments, in the same way as we are trying to plan the economic development of this country.

Governmental activities have always followed the economic development in a given area. The government is forced by companies to establish means of communications, once the industries themselves are established. Both provincial and federal governments are forced to establish communications, so that industries can remain in touch with the rest of the province.

That is the first kind of planning the government should establish. I must say here that we have before us now a government which is trying to set up what I would describe as mitigated planning. It wants to plan and, at the same time, it doesn't want to; it is in favour of the principles of planning without actually planning.

I should prefer a government which would say exactly what it has in mind. We could then mount a frontal attack against it.

As the hon. member for Burnaby-Coquitlam (Mr. Douglas) said this afternoon, there are four commissions whose functions are overlapping, while it would be much better to have only one which would direct its activities where they could be the most effective.

As I said at the beginning of my remarks, I had not prepared myself for a long speech. I do not want to delay the proceedings of the house, but I should like to say that I endorse the principle of the bill. However, I may take the liberty of introducing an amendment on third reading.

(Text):

Mr. Frank Howard (Skeena): Mr. Speaker, it is very interesting to listen to the hon. member for Saguenay (Mr. Maltais) who just took his seat, and to observe how, with such great affection, he embraced a part of the socialist program. Perhaps he should communicate those ideas to his co-leaders on the front benches in order that they may get on the right track or the wrong track, as the case may be.

I wish generally to indicate our support for the bill itself at this stage. While I come from the other part of the country, namely the Pacific coast, none the less since I have been here not only during these last few days but in previous sessions, as have some other hon. members who are not immediately familiar with the situation in the Atlantic provinces, I have listened with a great deal of interest to the problems which have been related to parliament by members coming from those provinces. While only on three occasions have I had the opportunity to visit two of the Atlantic provinces, none the less I think that all hon. members, although we may not actually have been in contact with those provinces at all in a physical way, appreciate greatly the difficulties which have existed there for a long period of time. We have heard in this house many pleas by members from those areas with regard to the high levels of unemployment which have existed over the past many years, including not only those since June of 1957 but many prior to that time.

We have heard and read a great deal about the so-called runaway industries which leave the maritimes or the Atlantic area in order to relocate or to open plants in southern Ontario, and thus leave behind them a group of people who are unemployed. We have heard a great deal about industries being closed. I refer to the coal mines and the steel industry. We have heard about the difficulties encountered in the fishing industry and the like. We have an understanding of and a sympathy with those difficulties, if only in a vicarious way, having listened to members in years past and now notably to my colleague from Cape Breton South, explaining the problems which exist there.

Without being unkind in any way I think we could perhaps say that the Atlantic provinces, as a geographic area in Canada, are perhaps, as they have been for some time in the past, the most depressed area in Canada, or the one which has the greatest economic difficulties and the highest continuing levels of unemployment, without the possibility of those people who are unemployed finding gainful employment. Having regard to these conditions which have prevailed and worsened over the years, it is rather sad in one sense to listen to these two old blind parties, one in government and the other hopefully expectant of getting there, rail against each other as being the cause of these economic difficulties.

Some hon. Members: Oh, oh.

Mr. Peters: It sounds as though a lot of people are mourning.

Mr. Howard: Yes; it does sound like that. I cannot think of a party better qualified to be in mourning than the Liberal party. The sad part of it is that for as long as there have been governments in those provinces, they have been either of one or the other party. Unfortunately, also, for as long as there have been governments in Canada, they have been either of one or the other party. As the hon. member for Burnaby-Coquitlam, who spoke before the supper hour, said in reference to each blaming the other, each finds itself in agreement with the other. There was recognition—speaking from memory I believe it was perhaps in 1953—when the present Minister of Forestry and Minister of National Revenue was premier of one of those provinces, when steps were taken, exploratory at first, but eventually to establish what is known as the Atlantic provinces economic council which consisted then, as it consists now, of people representing business and industry and with the sanction and blessing of the governments in those provinces. Undoubtedly this step was necessitated by the fact that those provinces and the people in them found themselves in increasingly greater and more difficult economic circumstances. As a result, as economic conditions became so bad, even the governments, reluctant as they might have been, were forced into a recognition of the necessity of

dealing with this question of the economy of the Atlantic provinces by way of government intervention or government activity.

Ever since I heard of it or read of it the Atlantic provinces economic council has intrigued me. I have read something of the studies which it has undertaken and the things which it has proposed. If I may do so, I should like to make a brief reference to one of the publications issued in January of this year entitled, "Incentives for manufacturing industry". Perhaps in that way, using the words of this council itself, I can bring hon. members to appreciate why we endorse the concepts contained within this particular bill. Even though it has failures in it, even though at a subsequent stage we may make specific reference to parts of the bill which we think are a little bit weak, none the less, perhaps by referring to the Atlantic provinces economic council and its proposals we can come to understand why this is in fact a step in the direction of planning, the socialist concept which we in the New Democratic party and those previously in the C.C.F. have advocated for so many years, and which finally is coming to be accepted even by our friends in the Social Credit party who espouse just the opposite point of view. Let me read first from this booklet—and these are not my words, my ideas or the ideas of the New Democrats but the ideas of the Atlantic provinces economic council, the ideas of industry in these provinces, of free enterprise and of the political parties forming the governments in these provinces. They have this to say:

> A development program for Canada's four eastern provinces must be bold, massive and well co-ordinated. Governments must take the initiative—

This is a plea, if you will, on the part of the so-called free enterprisers and free enterprise parties for government control, government regulation, government initiative, government intervention. I continue the quotation:

> —and it is imperative that the federal government be active in formulating, financing and administering a regional development program.

It goes on to make reference to the necessity of the federal government establishing a capital fund to assist in making what they call basic improvements in the capital structure both in the public and the private sectors. They make reference to the necessity of having a system of loans and grants for the purchase and acquisition of industrial machinery and equipment. They go into the field of transportation assistance and refer also to adequate vocational and technical programs to equip labour with the necessary skills and the like. Throughout page after page of this booklet they make such recommendations and plead for government intervention, government regulation and government co-ordination of the activities there in order to provide circumstances as a result of which the economy of that part of the country will be raised again to a decent level.

They talk throughout of the necessity for federal participation and how essential it is for the federal government to participate in financing, research, regional development and so on. Some of the latter words of this booklet have to do with the assessment of situations. They talk about selecting industries for assistance. Let me read a word or two from this part:

> In all cases, however, an assessment will have to be made of each applicant industry's prospect for success. Assistance should be restricted to those industries, and those firms, which have reasonable prospects of operating successfully, without assistance, after a period of time.

That is a direct plea for government regulation, government co-ordination. They go on to say:

> In addition, assisted industries should be those that would form part of the economic base of the region and should not include service industries, such as retail establishments and financial institutions, and those industries whose growth proceeds automatically with increases in population.

They are advocating a selective program of government assistance and government regulation and intervention. I could read many other quotations from this particular document issued in January of this year, but I think those few should be sufficient to indicate that even the so-called free enterprisers in business themselves, even the political parties in the Atlantic provinces, as reluctant, right wing and reactionary as they may be, have come to the conclusion by reason of terrible economic circumstances that government must get into this particular field and offer assistance. This is precisely what we have been saying for many years, and in the face of the most violent opposition not too many years ago. This appears odd indeed to me; but while, as I said, the bill is weak in some cases and while we will attempt to draw these weaknesses to the attention of the committee when we reach the particular clauses, nevertheless it is a basic step in the direction of planning, co-ordinating and assisting from the government level in the economic development of a section of this country.

When I listened to the Liberals opposing this bill—we will know better whether they are opponents when it comes to a vote—condemning it upside down and this way and that, and condemning the government for bringing it in while at the same time saying that the government stole it from their own program, it makes me wonder how much lack

of truth there can be in one political party. As I said earlier, as far as I am concerned the bill warrants our support and endorsation, and we hope we can correct the weaknesses at a later stage.

Mr. Deputy Speaker: Is the house ready for the question? Mr. Flemming (Victoria-Carleton) seconded by Mr. Dinsdale, moves that Bill C-94, an act to provide for the establishment of an Atlantic development board—

Mr. Peters: Mr. Speaker—

Mr. Howard: Is the minister not going to speak in reply and close the debate?

Mr. Deputy Speaker: The hon. member for Timiskaming.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I just want to say a few words on this bill because I am very interested in the subject not only because I have been to the maritimes and have seen some of their problems but because of the larger problems we face in Canada today, in that Canada is divided into two types of economy, that in which the people have too much and that in which they do not have enough. The maritime provinces are one of the oldest developed parts of Canada, a part of Canada that had a history long before most of our other areas were developed. I believe they can be classed as older have-nots, while on the other hand some of us represent areas that can be classed as newer have-nots, and I think I represent one of those areas.

One of our problems has always been the fact that economists have said that trade cannot be east and west from the Atlantic to the Pacific but must flow north and south, and that for some queer reason the economics and the geography of the country indicate that there has to be such a trend. It seems to me that all of a sudden the government has decided to do something about this. I was very interested in the booklet from which the hon. member for Skeena (Mr. Howard) quoted a few minutes ago, because I feel it could have been written by the former C.C.F. party. I was aware when I was in the maritimes that the people on this council represented business, the universities and the educational field generally as well as all other fields of activity. I was also aware that these people from different organizations were pledged to see how much good they could do with the amount of money available in that area. They have always said as we have said that Canada cannot be divided into parts and dealt with in that way. I really see no reason why the jurisdiction of the national economic development council could not be extended so that body could do for the maritimes what we hope it is going to do for the rest of Canada. I expect that the government decided the problem is more immediate in the maritimes than elsewhere. For this reason they have introduced a bill to establish a board which, if successful, will duplicate the work of the national economic development council.

I have been interested in the remarks made by the members of the Conservative party from the maritimes and the members of the Liberal party from that area. I do not disagree with the things that have been said by members of the Liberal party. One of the members of that party suggested a couple of days ago that if this board were going to be any good to the people of the maritimes it would need at least a billion dollars. I believe the people of the maritimes are right and the government has to give some indication that there is going to be this type of money available, perhaps not that much, to stimulate economic development in the maritimes.

When I was in the maritimes I had the opportunity of speaking to several representatives of the chamber of commerce in the town of Springhill. They took me to some of the plants that have been started by this Atlantic provinces economic council. I was surprised to ascertain how much money was involved in several of these plants.

Mr. Bell (Saint John-Albert): I rise on a point of order, Mr. Speaker. May I ask if we are considering divorce bills or are we talking about the problem of Atlantic development?

Mr. Peters: Mr. Speaker, this is an example of the reason the maritimes have been that backward. Some, like the hon. member for Saint John-Albert actually do not understand the English language. He would not know whether he was coming or going, whether he was in Ottawa or in the maritimes. He does not know whether we are on private member's business, because he is not capable of making that kind of decision. Frankly, he and a lot of the other members who have represented this area in this house have never known where they are going—

Mr. Deputy Speaker: Order; perhaps under the stress of the interruption, the hon. member has strayed from the subject matter under debate. He might adhere to the rule of relevancy now.

Mr. Peters: I was just answering a question.

I was surprised to find out how much money was involved in putting a person to work in a plant which has been established by the Atlantic provinces economic council. I agree that under circumstances where you are not tying the industry into any basic

national resource but are taking an industry to people who need employment, the amount of money needed might be quite large. I think this is the problem with which we are faced in the Atlantic provinces. For many, many years, actually for centuries, the Atlantic provinces have been known for their mines, their forest resources, their fruit and vegetable production and the production of fish. Most industries that have developed over the years have been connected with these natural resources. Now that these natural resources have been used up the people in communities dependant on these resources are now faced with the problem of continuing their existence and they cannot do this without government assistance, without the assistance provided by a measure such as we are talking about tonight. It seems to me this is a proper method of handling the problem.

I do believe if we are going to establish this board, then we should be prepared to put the necessary money into it to ensure its success. We have in Canada, and on the North American continent as a whole, developed our industries around two or three major areas. There has been, as a result, a rush to increase the concentration of these industries. This has proven to be detrimental to most of the outside areas of our country. Our country is still a very large, unpopulated nation and because of this it has been difficult to get the consumption of our goods in the areas of production. There has been a tendency, of course, to put our major manufacturing industries into three main centres, and that has been detrimental to the other areas.

I am very interested, Mr. Speaker, in seeing some success achieved in the maritimes. I am interested in this because only then will it be possible to develop the area that I represent. This area now faces a problem which the maritimes has had for many years. We hear a great deal about the displacement of labour in the maritime coal mines and in other industries, and that is what is taking place in many other areas of Canada. In my own riding, we are faced with a large number of lay-offs every year as a result of the closing of some mines. Many of our communities were built upon non-renewable resources, and they are faced with the problem of either becoming ghost towns or finding some form of government assistance that will provide the necessary capital to enable the necessary research to be conducted to develop other industries.

It seems to me that in the maritimes they have waited a long time for this type of development. The maritimes have developed a new breed of person. I suggest that the Minister of Forestry (Mr. Flemming), who is very interested in this problem, is one of that new breed. He has been very interested over the years in the Atlantic provinces economic council. Here, for the first time, we have an organization developed by the people themselves to help themselves. They are now coming to the federal government for assistance. I certainly hope we will give them whatever assistance is necessary.

Again, Mr. Speaker, I wonder why we have to have this piece of legislation on a regional basis. I am not sure that the national economic development board could not have provided on a national basis what we are trying to do through this board on a regional basis. We, in the New Democratic party, have always said we could supply the economic planning necessary to take care of all parts of Canada, as well as any other assistance that was necessary for the equal development of all parts of our country. I still believe that this can be done. I wonder why it has not been possible for the present Conservative government to do this, to introduce a measure, national in scope, such as we are demanding for the Atlantic region, so that this type of assistance could be extended to all the underdeveloped parts of our nation. We will build a nation, Mr. Speaker, despite the actions of some of the entrepreneurs in this country, despite some of our governments who are giving away our national resources. I suggest we can and will eventually do this. I further suggest that the establishment of the Atlantic development board will act as a guidepost for other areas, and in fact for all parts of Canada which are faced with problems similar to those found in the Atlantic region. We hope that this board will be a success and bring industries to the maritimes to enable them to establish a healthy economy.

I hope the government will not hesitate to provide the necessary money from the treasury to see that this is done. If it is done then we will build this country from coast to coast, and we will also do what the hon. member for Saguenay (Mr. Maltais) suggested, namely, increase our transportation and communication systems so that we will have a united nation from coast to coast. If the establishment of this board will in any way hasten the day when all Canada will find itself able to avail itself of the type of resources provided by national governments in most countries of the world, then the house can be assured of our support for this measure.

(Translation):

Mr. J.-E. Dube (Restigouche-Madawaska): Mr. Speaker, I should like to make a few remarks on second reading of Bill C-94, an act to provide for the establishment of an Atlantic development board.

I did not think it proper for some hon. members, when discussing this bill to unearth old political quarrels, buried in the past, in order to blame such and such administration for the unfortunate conditions which are now prevailing in our maritime provinces.

An hon. Member: Hear, hear.

Mr. Dube: Our past should rather be a springboard to the future.

We remember that, at the time of confederation, the maritime provinces had to give up a great part of their sovereignty and of their foreign markets.

Confederation was at that time and perhaps is, even now, an historic structure defying every economic and geopolitical principle of the day. According to geography and economics at that time, a vertical, north-south trade was much more appropriate than a horizontal one from the Atlantic provinces to the west.

The Atlantic provinces therefore sacrificed part of their natural trade to form a great nation.

From the point of view of national pride, that sacrifice had marvellous results. The provinces of New Brunswick, Nova Scotia and Prince Edward Island, and more recently Newfoundland, are proud of having contributed to the formation and development of our Canadian heritage.

However, from an economic point of view, the maritimes made the greatest sacrifice, and a very costly sacrifice it was. The natural laws of trade gradually channelled prosperity towards the geographical centre of the nation, forsaking the Atlantic area.

Mr. Speaker, we all know that a large part of our population in the maritimes has to find its subsistence in those three marginal activities that are small scale farming, fishing and logging. This means that a great number of our people must be, at the same time, farmers, fishermen and lumberjacks.

In the commercial and industrial fields, lack of capital and distance, which means transportation costs, paralyse our development.

We are familiar with our own problems and the important thing is to find some solution for them.

Though it was ridiculous, yesterday and today, to claim in the house that certain political parties had done nothing for the maritime provinces since confederation, it would be no less ridiculous to maintain tonight that the bill before us will bring about a lasting, final, total and complete solution of all our problems.

This bill alone is not the key which will open the door to prosperity for us, but it may help us find the way. Therefore, it deserves our consideration. First of all, two principles should be established.

First, the establishment of the Atlantic development board should not be just an excuse to delay basic and urgent action concerning the immediate needs of the maritimes.

Second, this bill should not be just a smoke-screen to hide the activities of the government and get a few more votes at the next election, as seems to have been the case with the construction of the causeway, in Prince Edward Island, which was promised last spring.

A number of questions come to our mind and we should like to have answers from the minister in that connection.

In the first place, we should like to know exactly what authority the board will have. Its terms of reference seem rather vague. Will it be just another board like the others which have been set up from coast to coast, in Canada, to give to the government advice which is disregarded and which does not produce any results.

If this organization is simply going to do research work and give advice to the government, then, we already have one with similar functions, namely APEC.

There is also the matter of salary. It seems to me that in giving a $3,000 salary to the chairman of that board, we do not give a great importance to the said board particularly when we realize that the president of the C.N.R. is paid $75,000. We find it a little strange that a salary of only $3,000 be given to the man who must settle all the problems of the maritime provinces.

(Text):

Mr. Speaker, yesterday the minister himself referred to the maze of boards and commissions in which provincial representatives from the maritimes find themselves lost in Ottawa, and one wonders if the present administration has the competence to add yet another board to the present confused set-up. The board envisaged by the bill appears to be only an advisory board. We would have much preferred an executive agency with power to create, with power to suspend, and with

power to act. But politics being the art of the possible, we must accept what is offered now, trusting that a new administration will shortly give teeth to the new-born baby.

Mr. Speaker, there are specific measures that should be given immediate consideration by the board with a view to boosting our industrial capacity and to reducing the tragic unemployment situation now prevailing in our provinces. The board should recommend that the federal government pay 90 per cent of the cost of completing the trans-Canada highway through our provinces and the construction of a second trunk of the trans-Canada to link the north shore of New Brunswick. The board should insist that government agencies and our railways decentralize their purchasing policies with a view to placing more orders in the maritime provinces. The board should recommend a reduction in taxes for new industries moving to the maritimes, and other tax incentives for industries already in the maritimes which are desirous of expanding their business.

Mr. Speaker, I suggest that the board should administer a capital assistance fund to deal with worthy projects and should induce and assist our businessmen to launch new and sound enterprises. The board should, in my humble opinion, insist that the government for the next few years direct a more substantial share of its capital expenditures in public works, harbours, parks and other major projects, to the maritime provinces, including the immediate construction of the Chignecto canal and the Prince Edward Island causeway. Eventually these projects may cost the government less than the heavy payments in unemployment insurance we now have to face.

These, I believe, are constructive proposals and I trust they will be received as such. Should they be carried out in the next four years, then the year 1967 might indeed turn out to be a cause for confederation celebrations in the maritime provinces.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I do not wish to deal at great length with the subject under consideration. I only want to say a word to suggest to the government, with regard to this Atlantic development board, to take steps which will really give positive results. Most of all, I should like to warn the Minister of National Revenue (Mr. Flemming), who introduced the measure, that it must bring a practical solution adapted to our time.

In this regard, Mr. Speaker, I should like to refer, as an example, to a measure which could have been favourable to the people and which only turned out to be a set-back. This example concerns winter works and it will serve to illustrate the idea which I will then put forward.

When the Minister of Labour (Mr. Starr) brought in his winter works program, it was welcomed by everybody. But when we saw the program actually being carried out, the tune was altogether different. In short, Mr. Speaker, under the winter works program, the power shovels and other machinery are stored in some garage while our Canadian citizens are out in the cold digging ditches with pick and shovel. Then, to illustrate what is being done, the government has pictures taken of the machinery stored in the cosy garages. At the same time, pictures are taken of Canadian citizens at their pick and shovel jobs in the ditches in the middle of the winter. What would you say, Mr. Speaker—

(Text):

Mr. Deputy Speaker: Order. I think the hon. member has wandered as far from the bill as he possibly could in his remarks up to the moment. I wonder if he would co-operate by coming back to the bill under discussion.

(Translation):

Mr. Gregoire: Mr. Speaker, for several reasons, I do not believe I am out of order. First of all, we are in winter and there is some point in dealing with winter works. Second, I was only bringing up that point to show what has been done in the past, when all types of programs have been set up. Later on, I shall use that example in an attempt to make suggestions to the government.

As I said earlier, before giving my example, I feel that a member may refer to past experience to suggest to the government steps to be taken in the future. That is why I should like to go ahead with my example if I may.

On the posters about winter works projects, you see heavy machinery snugly put away in garages, while human beings—

Mr. Boulanger: Order. Mr. Speaker, are you going to allow the hon. member for Lapointe, I think, to keep on with this humorous, comedian talk? He should come back to the matter under discussion.

(Text):

Mr. Deputy Speaker: Order. Sometimes an example or even an analogy may be carried too far. The hon. member for Lapointe (Mr. Gregoire) is speaking, as he says, by way of an example, but he is speaking at considerable length. I have waited patiently for him to tie

the example to this bill and up to now this has been completely impossible. I would ask him now to come to the point he is trying to make by way of example, then later he can come back and keep on illustrating his example if he wishes.

(Translation):

Mr. Gregoire: Mr. Speaker, if I cannot refer to an example to illustrate what I have to say and if you ask me to come at once to a conclusion on what was done in the past in anticipation of the future, then I do not see how I can comply with the rules.

There have been proposed in the past programs that looked good on paper but were not so good when they were applied.

And when I hear the hon. member for Mercier (Mr. Boulanger) say that this is comedian talk, I think he should rather look at his own seat. He would see on it the greatest comedian in the House of Commons, because, in my opinion—

Some hon. Members: Order.

Mr. Gregoire: —among those who wear out the seat of their pants here, there are some of the greatest comedians.

But if you allow me, I shall illustrate a point.

At the beginning of a bill, proposals and principles are enumerated: that is fine. Attempts are made to improve the lot of a group of citizens or of a specified area; that is still fine. But when the time comes to put those principles in practice and to give real assistance, one finds that action is not always taken according to the principles involved. It can at least be said that, no matter how good the principles, their application is often a step backward.

I am thinking, as an example, of the winter works program. The purpose, there, is to help a certain class of people, to give assistance to a certain type of persons. But how do we go about it? In a way which puts progress in reverse.

Instead of following through the example I just gave, I shall choose another one and deal with its practical application.

What would you say, Mr. Speaker, if, in applying the principles stated in the act to provide for the establishment of an Atlantic development board, we were to adopt the attitude taken towards the winter works program and put the machinery in the garage and the men to dig ditches instead of power shovels?

What would you say, Mr. Speaker, if tomorrow morning, for instance, a member of this house or the minister who introduced the bill to set up this development board went home and said: "From now on, we act like the government. We shall follow the government's plans. The washing machine and the dryer are going out. Here is the washboard, the good old washboard women used to wash clothes on—"

(Text):

Mr. Deputy Speaker: Order. The hon. member really is making it very difficult for the Chair to co-operate with him, which is what it is endeavouring to do. He has been speaking now for some considerable time, and I have not heard the word "Atlantic" or "maritimes" mentioned more than once. May I point out to the hon. member that he has an opportunity when clause 1 of the bill is under consideration to broaden the scope of the debate quite substantially compared with what he is able to do now on second reading. when he should be dealing with the principle.

(Translation):

Mr. Gregoire: Very well, Mr. Speaker, I will deal only with the principle of the bill.

I wanted to give an example in order to establish the difference that can exist sometimes between the application of a principle and that principle itself. Here is what I was driving at. There is talk about a development board, but in an economy, according to the very definition of any political economy program or system, three problems must be dealt with, namely production, exchange and consumption.

I understand that the purpose of the bill under study is to make it possible for the economy of the Atlantic provinces to develop without help. To reach that objective, the production system itself must function. And my example would have shown that in order for the production system to function, there must be also a consumption system. Now, that consumption system can be either domestic or foreign, but it remains that a consumption system is needed next to the production system.

About this bill providing for the development of the maritime provinces, here is my suggestion to the Minister of National Revenue. It is possible to develop production systems in the maritime provinces, but only if a parallel consumption system is also established. There is no doubt that the necessary steps can be taken to develop a productive economy in the maritime provinces, and on a large scale, if you have the consumers.

It is also possible to develop a farm production system in the maritimes along with a consumption system.

Mr. Speaker, any economic system must have three correlated sectors—production, exchange and consumption.

Therefore, if the economy of the Atlantic provinces is to develop at the same rate as in the other provinces, it should also have not only a system of production but also a system of planned consumption as a production factor. And in order for the bill presented today by the Minister of National Revenue to be effective and to reach the intended objective, the board will have to take into consideration, first and foremost, the whole system of exchange of products in order to enable the consumers to get the production which will develop in the maritime provinces. The Atlantic development board will then reach its objective which is to develop the whole economy of the maritime provinces, the economy of production, exchange and consumption in these four provinces, which really need it.

Mr. Speaker, the major problem in the maritimes is consumption. As soon as the consumers in the Atlantic provinces receive help, the production system will become adequate in those provinces. In fact, if we seriously intend to bring about the economic development of the maritimes, and, at the same time, to give prosperity to the consumers, the whole economic system of those provinces will have to be taken into consideration.

(Text):

Mr. Deputy Speaker: I must inform the house that if the minister speaks now he will close the debate.

Hon. H. J. Flemming (Minister of Forestry and Minister of National Revenue): Mr. Speaker, the remarks which I have to make in connection with the second reading of this bill will be as brief as I can possibly make them, because I feel that there have been many and most varied opinions expressed about the bill and about the accomplishments which it is hoped the bill will achieve. I think on analysis, in spite of the misgivings which have been expressed by various speakers, we still might very well consider that the basic reason for this bill, which seeks to establish a board whose activities will be confined entirely to the Atlantic provinces, and the concept of the duties of that board, meet with the approval of all hon. gentlemen in the house, particularly those who have contributed to this debate.

I should like first to mention the fears of the application of this board, the fears of the results of its actions, and the fears which have been expressed in connection with the difficulties under which the board would operate. All of these things perhaps are deserving of consideration, and I find no fault with the fact that they have been pointed out. But it seems to me however, that we are losing sight of the fact that here is a forward step which has been taken, and for which the people of the Atlantic provinces have been asking for a long time. I acknowledge freely that there will possibly be features of the bill which will seem to lend themselves to some improvement; they might even lend themselves to some improvement when the bill is in the committee stage. But I do not think anybody should say that the object of the board will be to sit down and do nothing. It seems to me that is in the minds of some speakers here this evening. My hon. friend from Antigonish-Guysborough (Mr. Stewart) was worried about the fact that the board was going to sit in Ottawa only once during the year; but the bill provides that they shall sit at times and at places they deem necessary. You could not get any broader interpretation than that. I suggest to my hon. friend that this board will be anxious to accomplish something. It is going to be his neighbours from the Atlantic provinces who will compose this board. They are going to be every bit as anxious as he is to have something concrete to show for their activity. I therefore submit that his misgivings are not well founded. I submit that the board should be set up and should be put to work. A year hence if it is found that there are some features that might be improved, then we, or whoever happen to be here representing the people, will take steps to effect that improvement. However, let us at least go ahead with this machinery which has been provided and which for many years has been requested by the people of the Atlantic provinces.

I was greatly impressed by the speech this afternoon of the hon. member for Queens-Lunenburg (Mr. Crouse), because he was full of enthusiasm with regard to what this board might be able to accomplish and what he visualized they would accomplish. I like to see a man who is enthusiastic about anything. Even as to our friends across the floor, I find no particular fault with them for being enthusiastic about that philosophy of theirs, which is really outworn and rather old stuff. However, I find no fault with them because they are enthusiastic about it.

Mr. Pickersgill: Does the hon. gentleman mean those people over here?

Mr. Flemming (Victoria-Carleton): Oh, yes, I quite agree; the people diagonally over there and our friends in the New Democratic party. I think it is a splendid thing to be enthusiastic. I particularly appeal now to members from the Atlantic provinces. I particularly appeal to them as I should like them to be enthusiastic about these possibilities. I fully appreciate, as I am sure we all do, that during our lifetime we are, generally speaking, subject to a degree of disappointment. Nevertheless we must have an aim. We must try to accomplish something. We must keep going. We must live in an atmosphere of expectation and hope if we are to be able to do anything in the future. That is the appeal that I make.

This board was never intended to represent a tremendously large bureaucracy located in the Atlantic provinces. That is not the concept I envisage for the board. I am one of those who feel that it is not necessary to spend a great deal of money in order to get satisfactory results. Very often it is small boards composed of dedicated men and women who are able to accomplish great things in communities even as large as the Atlantic provinces. I therefore suggest, Mr. Speaker, that we should not be worrying about whether or not they have at their disposal a billion dollars. I do not think we should be trying particularly to make headlines with dollar figures strung across the top. I suggest that what we need to do is to set up this machinery and then to let everyone give to that board the best possible advice of which he is capable.

For many years we have complained that our situation was not being examined, that the things which might be developed in our provinces were not being looked at and that were were being ignored. When we sent some good people up to Ottawa, it was possible to hand them a breakwater or wharf or something like that and satisfy them with it. That is what we are told down in the Atlantic provinces. The time has gone by when we are satisfied with a breakwater or a wharf. We wish the financing of a board consisting of some people set up for the express purpose of looking into the natural resources which exist in our part of Canada, provided that they are economically sound; and I suggest that they should not be put even through too careful an examination in that respect. If they are even borderline I suggest that they are deeserving of consideration.

I am not always in complete agreement with my friend from Bonavista-Twillingate. However, yesterday I was in complete agreement with him in connection with the exportation of pulpwood. It is all right for us to stand up in this house and speak, and it is a fine thing to shout to high heaven that we must process every bit of raw material we have to the ultimate degree. However, Mr. Speaker, there is such a thing as a buyer of products, and that buyer of products has people who must be employed also. I therefore think there is a middle ground here somewhere so far as processing is concerned. As I listened to my hon. friend last year, I found that he praised the government—and that is something he seldom does—however, he praised the government for building a wharf at a certain place. He said he went down there and saw ships loading pulpwood destined for a European destination and without the wharf it would not have been possible. He therefore praised the government. As far as I am concerned, that is a definite achievement as far as the government is concerned.

Mr. Pickersgill: I have never hesitated to do that, Mr. Speaker. Unfortunately, however, there have not been many occasions for it.

Mr. Flemming (Victoria-Carleton): With great respect to my friend, may I say that I do not think he looks very hard.

Mr. Dinsdale: He has one blind eye.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, I made a great many notes while all hon. gentlemen were speaking. I could probably stand here for the next 15 minutes, 20 minutes or even half an hour and attempt to rebut what they said and could probably—and I say this with due modesty—make a fair job of it. However, where would we be after I got through? We would just be in the same place as we are right now.

I therefore suggest that what we do in connection with the bill is that we pass on to the committee stage. I have at least one amendment to offer. I understand there are quite a few amendments coming from certain sections. I can only say that I do not believe it would not be in the interests of the passage of the bill, neither do I think any great public interest would be impaired if we consider the bill in committee of the whole, and without any reference to any other standing committee. I believe that time is of the essence in connection with this bill. I am anxious to see the mechanics of the bill go through the house, be set up and allow the board to be constituted so that they can get to work.

Mr. Pickersgill: Will the minister permit me to ask a question at this point?

Mr. Flemming (Victoria-Carleton): Yes.

Mr. Pickersgill: Does the minister not think that a great deal more time would be saved in the house and that the government could get on with another measure if we could have this measure go first to a standing committee? It would have to go through the committee of the whole in any case, but could it not go first to a standing committee where those of us who are particularly interested in going into the details and seeing that we get the best bill possible could, with the officials, have a real opportunity to go into it and then bring it back here? I am sure it would pass very quickly after that.

Mr. Flemming (Victoria-Carleton): My answer is no, much as I am very anxious to agree, and the reason it is no is that everything about this bill that we could find out in a committee would be a matter of someone's opinion. It would not be technical knowledge. It would not be a case of people who had served on a board wanting to come before such a committee and being able to give the committee the benefit of their experience, because we have never had a board of this sort in the Atlantic provinces before. We have had some boards, and some people are complaining we have too many boards.

If I wanted to be facetious I would say, being in the lumber business, that I do not mind boards. If it were a bill of a technical nature, obviously there would be an advantage in examining witnesses, but I submit that in this instance all we would get would be people's opinions. We have had a lot of opinions expressed in the house this afternoon and this evening and they were not always exactly the same, though I think that generally speaking they were. I am sure that some members who spoke today spoke so that their names and remarks would be recorded in the newspapers at home. I find no fault with them for this. I think it is a laudable thing. But if this bill goes to a committee I fail to see that any great advantage would be gained because all we would be doing would be getting people's opinions. We are going to get plenty of opinions here.

There is one point on which I want to express complete agreement with respect to what the hon. member for Queens-Lunenburg (Mr. Crouse) said this afternoon. That is in connection with the contribution which has been made to the Atlantic provinces in general by Brigadier Wardell, the publisher of the *Atlantic Advocate*. Brigadier Wardell has adopted the Atlantic provinces for a matter of more than 10 years. He has been the conveyor to the rest of Canada of the needs of the Atlantic provinces through the medium of a very fine magazine, one of the best in Canada. Therefore I want to express complete agreement with the hon. member for Queens-Lunenburg who today paid him a great compliment, and I should like to add my words to those that were so well said by my friend this afternoon in connection with the debt which I feel the Atlantic provinces owe to the publisher of the *Atlantic Advocate*.

There is one more point I should like to bring out before I conclude these remarks. I would hope that we might give second reading to the bill and go into the committee stage immediately, if we can have unanimous consent to do so. I would hope that we might make some progress in committee and perhaps even finish the bill. It is not long and I feel that in principle it is very acceptable to all hon. members.

That is all I have to say at the moment. I repeat what I said concerning the importance of the disposition of all members to consider that here we have something of a special nature which we have been trying to get for a long time. Regardless of what we may feel about some points, perhaps very minor and perhaps in the opinion of some quite important, let us go ahead and get the machinery set up and in operation so that the things envisaged by many speakers this afternoon and the fears and misgivings that were expressed by some will be met by actual experience. If as a result of that experience it is found that there are some features of the legislation which are not working out as well as we had all hoped, then the power that created the bill and put it in operation can amend it and improve it. That is the last word I have to say to the house on this occasion.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Paul in the chair.

On clause 1—*Short title.*

Mr. Carter: Mr. Chairman, we have just agreed with the motion to set up an advisory board for the Atlantic provinces and now we have the bill before us in committee where we can make a detailed study of it clause by clause. It is the usual practice on the first clause of the bill to have a general discussion and to raise questions which perhaps could not be raised on second reading of the bill. One question that the bill poses to me at least is the need for advice. Apparently the main purpose of the board we are setting up is to assess factors relevant to economic growth in the Atlantic region. It would seem to me that there is already a great deal of advice available to the government on this particular subject.

As I understand the situation, studies are in progress with respect to the feasibility of

the Chignecto canal and the feasibility of the P.E.I. causeway. In addition, we have an organization known as the Atlantic provinces economic council which for several years now has been making a special study of the problems of the Atlantic provinces, with particular emphasis on what might be done to improve the economy of this region. Surely there should be a great wealth of advice available from all these bodies. One wonders, therefore, just how much more advice can be had from this special body. One of the things we would like the minister to tell us in this discussion is just what is going to be the relationship between this new board and the Atlantic provinces economic council, and what will be the relationship between this board and all the other advisory boards that have been set up in recent years. For example, what will the relationship be between this board and the national economic council, the productivity council, the manpower council and these other boards? Just how is this board going to fit in with all these other organizations?

I feel, Mr. Chairman, there is a danger that we might be expecting too much too soon from this particular board. It has no money with which to initiate projects. Its functions are limited purely to those of study and advice. I think it would be a mistake if it were interpreted by the people of the Atlantic region that the setting up of this board is going to bring about any substantial change in the economic forces that have been at work in the Atlantic region for so many years. As I see it, the economic problem of the Atlantic region is not an isolated problem. I think it would be a mistake if this board were to approach it in that manner. The problem of the Atlantic region is, in a sense, the problem of Canada. Certain economic forces have produced certain results, and if we are going to get different results, then we must in some way modify the economic forces that are at work.

Now, these forces have been referred to during the debate on second reading and specific examples have been given. One force has been the lack of development of our natural resources. This, of course, is related to the matter of capital investment. If we are going to do anything about this, it does not seem that the government requires any special advice because one of the things that has inhibited the growth of the Atlantic provinces has been the tax policies followed by federal governments over the years. Unless we are prepared to do something about that, then we cannot hope to make any substantial improvement in the capital investment picture so far as this particular region is concerned.

We all know that the problem of hydro power in Quebec was connected with the tax policy of the federal government, which required substantial payments of income taxes from the province to the federal government. Whatever profits were made, therefore, did not benefit the province at all but went to enrich the federal treasury. I think in cases like that, where we have in a province private companies operating power utilities then the federal government, as a general policy, should make the necessary changes to put these power companies on the same footing as the ones that are nationalized. Once these companies are nationalized they do not pay income taxes on profits as the private companies do. Until this situation is corrected, then it will be a handicap that will hinder the development of the provinces.

Another handicap is the lack of communications and the lower standard of public services. Now, these impediments are apparent to everybody. Certainly, it does not need any special board to bring them to the attention of the government. If we are in earnest about this, then the federal government need not wait—

The Deputy Chairman: Order; I hear a lot of murmuring in the house and I would ask hon. members to be quiet and give the hon. member who has the floor a chance to make his speech.

Mr. Carter: Thank you, Mr. Chairman.

It is not necessary to wait for a board to be set up for the federal government to take the necessary action to improve the system of communications and the public services in the Atlantic provinces, to put them on a level that will make it attractive for private enterprise to go in and develop industries.

Then, too, we can do more than has been done about encouraging the investment of private capital and discouraging the closing down of industries. A few days ago I had occasion to be in the maritime commission with one of my constituents who was interested in getting a subsidy for a coastal ship. The subject we were concerned with was the Canadian content of this vessel. There are very few companies in Canada today making a diesel engine of around 400 or 500 horsepower for marine installations. I made the remark that I recalled a very fine engine used to be built in British Columbia under the name of Vivian. The expert at the maritime commission said, "Oh, yes, I know all about that; that was a wonderful engine". I said, "Why don't we get one of them?" He said what had happened was that a certain company came in, bought this firm up and then closed it down. This has been the experience

in the maritimes over and over again. Our people have managed to get small businesses going. They have built them up into profitable enterprises and as soon as they have become paying propositions, as soon as they became competitive with comparable enterprises in other parts of Canada, somebody buys them up and closes them down. We had a small tobacco factory in St. John's that used to manufacture tobacco and cigarettes. We were not in confederation three months before the plant was closed down. This is the sort of thing that goes on, and it must be stopped.

I do not envisage very many large scale enterprises in the maritime provinces. I think it is sounder economy if we can establish a number of small enterprises than if we have two or three very large ones. I would much rather have 100 enterprises employing 50 people each than have one enterprise employing 5,000 people.

The other problems we have is that of a domestic market. It is something we cannot do very much about. The government can do what it can by way of freight rate subsidies to equalize freight costs, but under present circumstances it is very difficult to work out a system that is very satisfactory. Somehow or another we must make up for that deficiency. This means that if we cannot have a domestic market in our own region, then the logical place to look for a market is overseas.

My colleague from Bonavista-Twillingate mentioned the Caribbean, which is a logical market for the maritimes; but there are other markets overseas in Europe and we should try to encourage European firms to establish branches in the maritimes from where they can service the American seaboard. If Volkswagen cars were being manufactured in the maritimes they could be distributed right up to central Canada much more cheaply than they are at present.

In my area we have a large market for small motors. We have a big fishing population and diesel motors are becoming very popular as they are economical to operate. We have trade connections with Japan, Norway, Sweden and Germany, countries which are experts in these fields and surely we could induce firms from those countries to establish branches somewhere in the Atlantic region. We must do something of that nature because the possibility of improving our economy solely by exporting our raw materials does not seem to be very effective.

Underlying the economic causes which we see on the surface there is a more basic and deeper cause which we must recognize if we are to understand the nature of the problem that faces the Atlantic area. As I said before, the problem of the maritimes is the problem of Canada. The problem of underdeveloped areas everywhere in Canada is practically the same. The reasons for underdevelopment are not greatly different from those that prevail in the Atlantic area, and the main reason is really the human factor. It boils down to the motives that make us do the things we do.

I am not against profits, and any firm in business must make profits. If it does not, it cannot have capital to reinvest and expand. That is imperative; but there is another factor which must come into play and that is the duty of a commercial enterprise to assume certain responsibility for the people of the region in which it is established. We cannot have a better example of that than Cuba. Millions and millions of dollars were invested in Cuba and to all intents and purposes they have now disappeared. The main reason was that enterprises established in Cuba spent so much of their energy in producing better and better balance sheets and paid so little attention to their responsibilities toward the people of that country.

This board must recognize that factor. While the economic factors are important, the human factor is equally important. A little jealousy between members of the board can easily disrupt it, or jealousy between this board and other boards can disrupt the relationships between them and nullify the best of plans.

There is one other point I would like to make and it is that while the economic factor cannot be ignored it should not always be the determining factor. All of us have experienced instances where projects that were not economically sound somehow prospered, and of other cases where enterprises had good economic bases and still did not work out. A few weeks ago I had the pleasure of paying a visit to Saskatchewan, through the courtesy of my hon. friend from Rosetown-Biggar, and the south Saskatchewan development association, and looking at the dam being built there. From an economic standpoint perhaps that dam should never have been built and perhaps it will never justify itself economically, but whether it does or not that is not the point I want to make.

The Deputy Chairman: Order. The hon. member has a right to speak about the economic problems of the maritimes but not about the problems of Saskatchewan.

Mr. Carter: I am not talking about Saskatchewan. I am only using that as an example of a project which perhaps was questionable from the economic standpoint but nevertheless was one that possibly should

have been proceeded with long ago. The reason it was not was that we placed too much emphasis on economic factors and not enough emphasis on the actual needs of the people of the area. Therefore I would ask that we should not let ourselves always be guided completely by whatever economic factors may be involved.

Mr. Bell (Saint John-Albert): Mr. Chairman, I am just a shy, poor old maritimer who has waited two or three days to put a thought on the record and I think it will come under this item, since it has no general application to any of the clauses. This thought comes to my mind. I do not have any amendment to suggest, but it seems important that we have some method of directing the various departments of the federal government to compile statistics and co-operate with the projects that may begin under clause 9 of this bill. I have a very concrete example of this. One of the projects that has been mentioned by others outside this house, and I feel it should have top priority, would be consideration in the future of the ports of Halifax and Saint John in the light of opening up navigation in the St. Lawrence in the winter time. I speak of Saint John from my own personal interest and I am sure the other hon. members from Halifax will agree with me when I say that we are very worried about the future of these maritime ports.

It has been brought to my attention that one of the main difficulties in assessing this problem is the need for co-operation of different departments of government in making available the statistics as to the origin and destination of all traffic in and out of the St. Lawrence system. This is to my mind the main requirement in order to assess the problem in so far as Saint John and Halifax are concerned. Therefore, Mr. Chairman, I put that thought forward in connection with the first clause of this bill. I hope the minister will have an opportunity to think about it. As I say, I do not have a specific amendment to put forward. I cannot see how it could be mentioned particularly in the bill. But certainly there will be a necessity as these projects go forward to obtain, not only from the various departments of the federal government but from all other sources, statistics and information, technical and otherwise, that is now available. That is my thought on this matter, Mr. Chairman, and I have related it to a very concrete example.

This project should have top priority in considering the future of Halifax and Saint John in the light of winter navigation on the St. Lawrence and I would hope there would be some method by which those responsible could direct the Department of Transport and the Department of National Revenue to make available all information provided it was not of a confidential nature. I say that for the benefit of the hon. member for Essex East. I do suggest, Mr. Chairman, that this information would be of great assistance in assessing our problem.

Mr. Howard: Mr. Chairman, at this juncture I only desire to pose a question to the minister, a question which involves someone who I understand is an ally of the minister and of his party, someone who, though being a staunch Conservative may not know exactly what his role is within that party. I would ask the minister whether it is the intention, in view of the presence in Ottawa today of this gentleman, to appoint Brigadier Wardell as the chairman of this board.

Mr. Granger: Mr. Chairman, I would first like to say that I appreciate the opportunity of making a few remarks on clause 1 of this bill. Before calling the minister's attention to some of the problems which exist in the part of the Atlantic provinces from which I come I would like to make a brief remark concerning his comments on enthusiasm. If I have failed up till now to express great enthusiasm, it is not at all because I disagree with the principle of the bill, but because I began to visualize the government appointing commission after commission, board after board, until a whole host of subgovernments usurped the position of government, and instead of having members elected to the House of Commons computer machines would be installed here to assess the value of the information fed into them by boards. To me that is a horrible thought. Certainly the chamber would not be nearly as interesting as it is today, and apart from that I do not think the public would be too enthusiastic about voting for one or other make of computer machine.

An hon. Member: It would be an improvement in certain areas.

Mr. Granger: No doubt my hon. friend knows conditions in his own district. If I might comment on some of the things the board might consider, I would like the minister to think of the potential in wood in Labrador. I am sure that when I mention forestry I am talking to a minister who is not only knowledgeable but sympathetic to this industry. The huge potential of wood in Labrador is something which should be looked at very carefully, and the possibility of constructing roads through the woodlands of Labrador is one which could bear looking into. The minister mentioned earlier the development of forestry. Here is a huge area of

virgin forests which await development. The same applies to the special needs of the forest industry in Newfoundland, where the forests are beginning to be infected by the woolly aphis insect. This scourge of the forests could very well have dire economic consequences on the woods industry in Newfoundland, and the possibility of the constructing of roads through the forests so as to fight this pest is one which could be considered by the development board.

The fisheries of the whole Atlantic coast certainly need attention, not so much because the fisheries are dwindling as the fact that our competitor nations have advanced much further than we have in the production of fish and have given us the kind of competition in historic markets which has been making it extremely difficult for the fishing industry to survive. That certainly applies to Newfoundland and Nova Scotia. Some of the problems of the fisheries are such that they can be met with the expenditure of modest sums of money. A board such as the Atlantic development board would naturally look into the possibility of direct financial assistance to fishermen who wish to improve their fishing equipment. They would consider, I would hope, the position of men who used to be fishermen, who have worked at other vocations for a number of years, whose fishing gear is not operable any more and who would consider being re-established in the fishing industry.

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

Clause 1 stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, may I inquire what we will do tomorrow, and can we have some indication of the business for next week?

Business of the House

Mr. Churchill: Tomorrow, Mr. Speaker, as I outlined the other day, we will start with the setting up of the special committee concerning drugs and things of that nature, and if speeches are limited to one per party, we might finish that business by one o'clock. Then I think it would be wise to complete the committee study of this bill and finish it tomorrow, which seems likely. Then the third item will be Bill No. C-87 concerning the national economic development board, which we will discuss tomorrow, and carry on discussion of the bill on Monday.

With regard to the program for next week, all parties have been apprised of a proposed program, and it will depend on consultation tomorrow as to whether that is considered to be satisfactory.

Mr. Chevrier: May I inquire from the house leader how this proposal is going to be considered? Because I had understood from the Leader of the Opposition this morning that, following a discussion with the Prime Minister, the matter was now in the hands of the house leaders, who would be called together; but I am told that that procedure was not followed.

Mr. Churchill: I was quite prepared to do that, but my understanding of the meeting was that a proposed time table, with allocation of time, would be circulated to the whips, which was done; that they would meet together tonight at 8.15, and if there was any problem arising we would then carry it a step further.

Mr. Chevrier: I am prepared to meet the house leader at any time, and I understood that that was the proposal which we had made in the first instance.

It being three minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Friday, December 7, 1962

The house met at 11 a.m.

POWER

COLUMBIA RIVER TREATY—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I beg leave to move the adjournment of the house under standing order 26 for the purpose of discussing a definite matter of urgent public importance, namely the deadlock that now exists in respect of the international treaty for Columbia river development.

Mr. Speaker: I have before me a motion by the Leader of the Opposition for the adjournment of the house under standing order 26. One has to consider in these matters whether they are of urgent national importance and also the question of urgency of debate at this particular time. It is on that particular point that I have some doubts, and I am quite prepared to hear the Leader of the Opposition in regard to urgency of debate at this particular time.

Mr. Pearson: Mr. Speaker, you have, of course, very rightly called attention to the consideration of urgency in moving a motion of this kind, a consideration which, as you have already indicated on other occasions, cannot be entirely divorced from the consideration of national importance. I take it there is no division of opinion over the question of the national importance of this matter and the deadlock in respect of this treaty, the consequences of which are of such far reaching significance to our country. Also, Mr. Speaker, bearing on the questions of urgency and importance is the fact that in a series of answers in the house and statements made outside the house in my view, confusion has been created. Moreover the impasse that we find ourselves in with regard to this matter affects both national interests and those of our relations with the United States.

Now, Mr. Speaker, on the immediate question of urgency as related to these developments I have mentioned, the chief negotiator of the treaty on behalf of Canada, the present Minister of Public Works, has already discussed this matter outside the house. In the course of those discussions, and in a letter which he has written to the editor of a magazine entitled *Engineering and Contract Record*, the Minister of Public Works emphasizes that debate on this matter should be in parliament. In this letter of September 17, 1962 he said, and quite rightly:

> I feel that the proper forum for such detailed comment is the prospective hearing in parliament. I am sure that it will be desired to investigate every aspect of the treaty and obtain the views of all persons concerned with it. I should myself appear in such a case . .

We regret, of course, that the Minister of Public Works has decided to leave us, and if he is to participate in a discussion of this important matter that discussion must take place at once while he has an opportunity to do so. If the committee on external affairs, which is the committee to which this matter would be submitted, were set up; if the government could give us the assurance that the committee would be set up immediately so the matter could be referred to it, then of course I would be glad to withdraw this motion so that the discussion could take place at once with the Minister of Public Works, other ministers and other persons concerned present. However, unless there is some assurance that this can be done, then I very respectfully submit this motion to you for consideration. Since the Minister of Public Works will be leaving us so shortly, it is a matter of great urgency to have this matter discussed at once and in his presence.

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, if the remarks of the Leader of the Opposition establish anything it is that this is not a definite matter of urgent public importance. In the first place it is not, as described in the motion, a definite matter at all. The Leader of the Opposition talked about a deadlock that he says now exists in respect of an international treaty with regard to the Columbia river development. I have some familiarity with the situation in general in respect of the Columbia river, and I do not know what he is talking about. There is no deadlock.

Mr. Martin (Essex East): Why discredit yourself?

Mr. Speaker: Order. I indicated I would like the discussion to be on the urgency of debate today. While there have been in the proposal by the Leader of the Opposition certain remarks which may have strayed from that

point, I think it would be helpful to the Chair if we stayed on that point. We will continue.

Mr. Fleming (Eglinton): If the remarks of the Leader of the Opposition are to be stripped down to what he had to say as to the urgency of debate there will not be very much left in his remarks. What has he got? He talked about the subject in general, but negotiations and discussions are proceeding. There has been no finality reached on this at all and discussion has been proceeding for some time.

Some hon. Members: Oh, oh.

Mr. Fleming (Eglinton): On such motions, Mr. Speaker, my remarks relate to submissions to you and what I am saying is pitched to a level to meet the requirement that you have in mind and not just an appeal to the intelligence or lesser intelligence of some hon. members opposite who are stronger on noise than they are on understanding.

I repeat that when there is talk about a deadlock now existing in respect to this international treaty for the Columbia river development, I say there is no deadlock. There is today what has been going on continually, a series of discussions which are not complete. There is no urgency of debate in this respect today unless there was urgency of debate in respect to it a month ago, two months, three months or six months ago, because we are dealing with a continuing situation in which talks are continuing and plans exist for a continuance of talks at the governmental level. To talk about urgency of debate about this matter at the moment, where no definite matter of urgent public importance is concerned, is simply absurd.

Mr. Speaker, I do not know whether you heard the uproarious and most unintelligent remark of the hon. member for Bonavista-Twillingate—

Mr. Speaker: Order. I have not heard any remarks. I trust no remarks were made, or if remarks were made that they will not be recorded, because they are not part of the proceedings of this house. I am only concerned about argument which would support the question of urgency of debate at this moment. The Chair is prepared to hear brief argument in this regard, and I say "brief" because the Chair has already pretty well made up its mind on the representations which have been made on both sides in respect to this matter. I shall hear further argument if hon. members wish to put forward a point briefly as to the necessity of debate this morning.

[Mr. Speaker.]

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, in answer to several questions which I have posed to the Secretary of State for External Affairs, the house has learned that discussions are about to be resumed with respect to the sale of downstream benefits in the United States; that is respecting the duration, price and so on with regard to that sale. Article VIII of the treaty specifically states that the price and other terms and conditions of this sale are to be determined after ratification of the treaty and not beforehand. It would be most helpful to the house if the government could explain the purpose of the present negotiations and discussions between Canada and the United States; also if article VIII of the treaty is to be binding on both countries.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, since the hon. member for Coast-Capilano has mentioned me in his remarks I think it should be made clear that on one or probably two occasions last week, or it may have been a few days earlier than that, I explained in answer to questions that there had been two informal meetings at which representatives of the Canadian government, the United States government and the government of British Columbia had been present. I said these were informal meetings and were certainly not for the purpose of negotiating price for downstream benefits, as the hon. member for Coast-Capilano has intimated today. He goes much further than the statement I made, and I also pointed out that there were to be further talks later this month on, I believe, December 19 and 20.

Since we are in the midst of these talks, in which a foreign government is concerned, how can there possibly be any basis for the charge that the Leader of the Opposition makes today, which is that there has been a deadlock? I submit it would be entirely contrary to the rules were the house to go on and spend a day discussing this matter about which there are to be talks in less than two weeks.

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, the urgency of this matter was spelled out by the Leader of the Opposition. This must be faced. There is, should I say, a violent disagreement with respect to the terms of this agreement between the Minister of Public Works, who was the chief negotiator for the—

Mr. Speaker: Order. I am concerned about the urgency of debate this morning. I do

not want to go into the nature of the conflict or deadlock or anything of that kind. The precise point is why we should adjourn the business this morning.

Mr. Byrne: Mr. Speaker, this would appear to be the only opportunity this side of the house is going to be able to avail itself of to discuss this very urgent matter before the Minister of Public Works leaves this house. We have suggested an alternative, that is that this matter be referred to a committee of the house, which could very well be set up at this moment, and not necessarily for the purpose of ratifying the agreement.

When the Prime Minister returned from Washington on January 18, 1961 he was asked whether this matter should go before a committee of the house for discussion prior to final agreement with British Columbia. The Prime Minister implied that this was not necessary, that it could be discussed here. The terms of this agreement can and may be discussed here without necessarily meaning ratification.

Mr. Speaker: Order.

Some hon. Members: Order.

Mr. Byrne: There is violent disagreement throughout the entire country—

Mr. Speaker: Order. The hon. member knows that he must put an end to his remarks when he is asked to do so by the Speaker rising, and should not continue to make his point.

Mr. T. C. Douglas (Burnaby-Coquitlam): I submit to Your Honour that there is a clear case of urgency for discussing this Columbia river treaty and for discussing it at an early date. It is now almost two years since this treaty was signed. It is regrettable that prior to signing the treaty an agreement had not already been concluded with the province of British Columbia but these negotiations are continuing. It seems to me that the members of this house and the people of Canada generally are entitled to a full scale debate on the treaty and its implications. I suggest it is urgent, first of all because there have been contradictory statements both from ministers of the federal government and the government of British Columbia regarding the type of program that is envisaged, whether it is the High Arrow or the McNaughton plan. This causes a good deal of concern in many parts of British Columbia.

Mr. Churchill: Order.

Mr. Douglas: I suggest, second, that the whole matter of the sale of downstream benefits is something which needs to be discussed.

Mr. Speaker: Order. With the greatest respect to the hon. member, I am not concerned about the nature of the problem; I am concerned about the urgency of debate this morning and whether we should adjourn our proceedings. That is the sole, narrow point before us at the present time.

Mr. Douglas: I am submitting, Mr. Speaker, that a matter which has been in abeyance for almost two years is urgent and should be clarified; that some public discussion should be held so the country and this parliament can understand what is the government's intention and what project the government has in mind. If the government is not prepared to have this discussion this morning, then certainly before we adjourn for the Christmas recess such a debate should be held, or the treaty should be referred to the external affairs committee so that witnesses may be called and many of these matters clarified. I suggest that to have further delay is not in the best interests of the people of Canada generally, and certainly of the people of British Columbia in particular.

Mr. Speaker: The hon. member for Vancouver South.

Mr. Fleming (Eglinton): Mr. Speaker, I have just one thing to say. The hon. member for Burnaby-Coquitlam in what he has just now said has given away his case entirely.

Mr. Speaker: Order. I had recognized the hon. member for Vancouver South.

Mr. Fleming (Eglinton): I am sorry, Mr. Speaker.

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I intend to relate my very short remarks to the matter of urgency only. A number of questions on this matter have been replied to in this house, one of them by the Minister of Public Works on November 30, when he stated:

> We have maintained in general the policy which we had and which we felt to be the correct one. Sincere efforts have been made, however, to see whether it is possible to find a meeting ground between the two positions which had thus come into conflict, in order that this great project might be commenced at the earliest possible date. It has been difficult, but those discussions are still going on.

I suggest to you, sir, that this indicates a matter of extreme difficulty and great conflict, and therefore urgency, and we should know what the differences are between the various positions.

Mr. Speaker: Order. I am quite satisfied that this motion does not meet the requirements of standing order 26. If we refer to citation 100 in Beauchesne we see a number of reasons why this is so.

First of all, it must be a matter of recent occurrence, of immediate recent occurrence. If there has been a difference of opinion with regard to this particular question, as hon. members have indicated in their remarks, this may have existed for some considerable time. Certainly it existed at a time when this matter could have been raised in this house in weeks past. Certainly it was adverted to in the debate on the speech from the throne, when this formed the subject of remarks by a number of hon. members.

With regard to the other point that the Minister of Public Works allegedly was leaving this house, the Chair is not aware of that event happening next week, or the week after, or when it might happen. Therefore in the estimation of the Chair that does not found a ground for adjourning the business under standing order 26. For these reasons I find the motion unacceptable.

[*Later:*]

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): I should like to direct a question to the Minister of Northern Affairs and National Resources. Can the minister tell the house if under the act of 1955, having to do with the development of boundary waters, the provincial government concerned has applied for a licence to construct a dam or a weir in a tributary of the Kootenay river?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): That matter comes under the jurisdiction of my colleague the Minister of Transport, and I would have to refer the question to him.

Mr. Byrne: Then could I direct it to the Minister of Transport. I thought this was a matter which came under the department of northern affairs.

Hon. Leon Balcer (Minister of Transport): I think the question should be placed on the order paper.

Mr. Byrne: I have a supplementary question, Mr. Speaker. I am sorry to say that I quoted the wrong statute to the minister. It is the International River Improvements Act to which I had reference. This is the act to which I am referring and which would require the provincial government to obtain a licence before beginning any obstruction.

[*Later:*]

Mr. Byrne: I should like to direct a question to the Minister of Public Works. In the event that the Columbia river treaty ever comes before a committee of the house, will the minister assure the house that he will be prepared to come back and appear before a committee from his exalted position in British Columbia?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, that would depend entirely upon whether the house or its committee issued an invitation. Whether I am a member of the house or not a member of the house, I would always hold myself as responsive to the wishes of the Canadian House of Commons.

[*Later:*]

Mr. S. P. Ryan (Spadina): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. What do the current conferences and negotiations in respect of the Columbia river basin treaty deal with if they do not deal with article VIII of the treaty?

Mr. Green: Mr. Speaker, these are informal talks on the whole situation without any one of the three governments being committed.

Mr. Ryan: A supplementary question. Am I to take it that the treaty is now in effect being renegotiated.

Mr. Green: No. If the hon. member had understood my answer he would have realized that it was exactly to the opposite effect.

[*Later:*]

Mr. Arthur Laing (Vancouver South): May I address a question to the Minister of Justice. May I ask him the names of the persons at the moment representing the government of Canada in informal three way talks which are taking place concerning the Columbia river treaty?

Hon. Donald M. Fleming (Minister of Justice): That information has already been imparted to the house, Mr. Speaker.

(Translation):

AIR TRANSPORT

REPORTED MERGER OF T.C.A. AND C.P.A. ON INTERNATIONAL ROUTES

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, my question is directed to the Minister of Transport.

Is there any plan under which international air routes now served by T.C.A. and C.P.A. would be amalgamated to form a single company, as reported in the *Gazette* this morning, and has the government reached a decision in this regard?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, this is a matter of great interest both to the government and to me personally. That is the only comment I have to make at the present time.

Mr. Chevrier: A supplementary question, Mr. Speaker. Has the government come to a decision concerning regional air routes in this country and is it to be expected that it will soon make a statement of policy in this respect?

Mr. Speaker: That is not a supplementary question.

Mr. Balcer: As is the custom, whenever the government has a statement of policy to make, it does so in this house. I intend to follow this practice.

(Text):

TRADE

OIL—REPORTED U.S. INTENTION TO RESTRICT IMPORTS

On the orders of the day:

Hon. George H. Hees (Minister of Trade and Commerce): Yesterday the Leader of the Opposition asked me a question regarding the proclamation issued by the President of the United States, which amends the mandatory oil import program. I would like to inform the house that the regulations to implement the changes which will flow from the proclamation have not been issued as yet. Until we have discussed with the United States authorities the effects of both the proclamation and the regulations, it is impossible to say just how Canada's position may be affected, if at all. We have been assured that the overland exemption as such remains in effect.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Minister of Trade and Commerce a question arising out of his reply. Was the Canadian government consulted before this proclamation was issued in Washington under which the regulations are to be issued?

Mr. Hees: No, Mr. Speaker.

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask the Secretary of State for External Affairs this question. Is it not a fact that there were consultations with members of his department with regard to this matter?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I shall have to take that question as notice.

TOBACCO—EFFORTS TO FIND EXPORT MARKETS

On the orders of the day:

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Can the minister inform the house whether any negotiations have been successfully concluded for the sale of our tobacco?

Hon. George H. Hees (Minister of Trade and Commerce): No, I am unable to say so, Mr. Speaker. My department is working closely with the tobacco industry and making every possible effort to help them sell the tobacco crop, but further than that I cannot say.

Mr. Roxburgh: A supplementary question, Mr. Speaker. Has the government yet sent a trade mission abroad with respect to the sale of tobacco?

Mr. Hees: I answered that question some few days ago.

[*Later:*]

Mr. E. F. Whelan (Essex South): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Is he aware that the $100 million tobacco industry is idle?

Mr. Hees: Mr. Speaker, if the hon. member would speak a little more clearly and a little more slowly, perhaps we could understand him, if he would not mind asking the question again.

Mr. Speaker: The hon. member for Verdun.

Mr. Martin (Essex East): On a point of order, Mr. Speaker, the minister has just asked the hon. member for Essex South to restate his question, and I think the hon. member should be allowed to do so.

Mr. Whelan: Mr. Speaker, I will reword the question so the minister may aim at this problem a little more accurately. Is he aware that the $100 million tobacco industry is idle in Ontario?

Mr. Hees: I am aware of the difficulties that the tobacco industry is experiencing at the present time, and I can assure him that this government, unlike the government formed by the party of which he is a member—

Mr. Speaker: Order. I think the minister should remember the remarks I have addressed to others, that when the Chair rises on these points of order hon. members should desist from their remarks, which in this case are quite out of order.

Inquiries of the Ministry

SHIPMENT OF DOUGLAS FIR LUMBER TO CHINA

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Trade and Commerce. In the light of recent statements by the member for Red Deer, I am wondering whether the minister has received any protests from the minister of trade and industry of the province of British Columbia about the recent shipment of Douglas fir lumber to China?

Hon. George H. Hees (Minister of Trade and Commerce): No, Mr. Speaker.

(Translation):

AGRICULTURE

HOGS—REQUEST FOR RESTORATION OF PREMIUM

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Minister of Agriculture or, in his absence, to his parliamentary secretary.

When is the Department of Agriculture going to restore the premium on grade A hogs?

Mr. L. J. Pigeon (Parliamentary Secretary to the Minister of Agriculture): I am pleased to inform the hon. member that this question is under consideration.

(Text):

HOUSING

C.M.H.C.—REPORTED ESTABLISHMENT OF $100 MILLION LENDING FUND

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, I should like to direct a question to the Minister of Public Works. Does he or any other minister intend to bother telling this house of the establishment of a $100 million short term lending fund by Central Mortgage and Housing Corporation to assist in the development of a secondary market for N.H.A. mortgages, as announced yesterday by the minister to the press?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, the statement released to the press was with respect to details of the policy already announced in this house of placing C.M.H.C. mortgages up for sale so as to create an interest in the secondary mortgage market. As a means of further implementing that policy it has been decided that C.M.H.C. should be instructed to assume the position of residuary lender, as authorized by the legislation. It was with respect to that feature of the policy that the press announcement was made yesterday.

[Mr. Speaker.]

LABOUR CONDITIONS

VANCOUVER—PROSPECTIVE LAY-OFFS THROUGH CLOSING OF AIR LINE OFFICE

On the orders of the day:

Mr. John R. Nicholson (Vancouver Centre): Mr. Speaker, I have a question for the Minister of Transport. It is a matter of urgency because of the principle involved and the employment affected. I have given the minister notice. Has the minister been advised that United Air Lines propose to close their office in Vancouver? If so, has the air transport board or any other agency of government taken any steps to prevent the lay-off of the Canadian employees affected by the move?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, this is an internal managerial decision of United Air Lines Corporation. The government, the air transport board or no other government board has any jurisdiction over this dicision.

THE MINISTRY

REPORTED INTENTION OF PUBLIC WORKS MINISTER TO RESIGN

On the orders of the day:

Miss Judy V. LaMarsh (Niagara Falls): I have a question for the Minister of Public Works. Will the minister advise the house whether he has in fact declared his intention outside this chamber to resign from the ministry in the near future?

Hon. E. D. Fulton (Minister of Public Works): No, Mr. Speaker.

NATIONAL DEFENCE

NATO—ACQUISITION BY CANADA OF NUCLEAR WEAPONS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. My question is prompted because of my concern as a result of qualified newspaper reports to the effect that the United States government is working behind the scenes to force the Canadian delegation to accept nuclear weapons at the coming NATO conference.

Mr. Speaker: Order. I think the hon. member realizes that by prefacing his question as he does in this fashion, he puts his possible question in grave jeopardy.

Mr. Herridge: Mr. Speaker, I was merely expressing my concern before asking the question.

Some hon. Members: Oh, oh.

Mr. Herridge: My question is this. In view of the minister's intention to attend the North Atlantic Treaty Organization ministerial conference in Paris next week, will the minister inform the house whether he expects a decision will be made with respect to the acquisition of nuclear weapons for Canadians or by Canadians?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I do not expect that any decision of that kind will be made.

Hon. L. B. Pearson (Leader of the Opposition): May I ask the Secretary of State for External Affairs whether Canada is participating in certain preliminary conversations which are taking place before the meeting of the NATO council and which, according to reports, will deal among other things with the question of a NATO nuclear force.

Mr. Green: Mr. Speaker, I have seen no suggestion about a preliminary conference dealing with the question of a NATO nuclear force. There may be a preliminary meeting of the foreign ministers of the United States, the United Kingdom, France and West Germany with regard to Berlin. However, any consideration of a NATO nuclear force would arise in the NATO meeting.

[*Later:*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a supplementary question to that directed by the hon. member for Kootenay West to the Secretary of State for External Affairs. In view of the fact that the minister is planning to attend the NATO meeting next week, can we have his assurance that Canada will resist any efforts to make NATO a nuclear power?

Mr. Green: Mr. Speaker, I cannot answer a question of that kind on orders of the day.

NATO—REQUEST TO STOCKPILE SUPPLIES FOR CANADIAN FORCES

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Has the Canadian government been requested to stockpile in Europe heavy equipment and supplies for our NATO reserve forces and, if so, has the government taken any decision in this regard?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I am not aware of any request in that regard.

Mr. Hellyer: You are certainly not up to date.

Inquiries of the Ministry

CANADIAN CENTENNIAL

INQUIRY AS TO APPOINTMENT OF COMMISSION

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Prime Minister. By way of explanation I should say that in October I asked the Prime Minister whether action was being taken to appoint a commissioner to get the centennial organization moving. In November he replied that action was expected shortly. My December question is this. Will the Prime Minister shortly be good enough to culminate action before 1963?

Mr. Speaker: Order. I think the hon. member will recall that a day or two ago the Prime Minister replied to a question of a similar nature regarding this appointment.

UNITED NATIONS

DISARMAMENT—REFERENCE TO STATEMENT BY EXTERNAL AFFAIRS MINISTER

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask the Secretary of State for External Affairs a question. Because of the misgivings as to the success of the current disarmament discussions in Geneva expressed by the minister yesterday in Toronto, and as reported over the C.B.C. last night, will the minister give the house the reasons for the view that he now takes with regard to the present discussions in Geneva?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, during the course of a very interesting speech yesterday to the Empire club in Toronto I pointed out that—

Mr. Pearson: Interesting to whom?

Mr. Green: —progress in the eighteen nation disarmament committee meeting in Geneva had not been as great as I expected. That is as far as I went. I did not say that the negotiations were hopeless.

Mr. Martin (Essex East): May I ask a supplementary question. From what the minister has said now and from what he said yesterday would I be right in concluding that the minister was preparing the Canadian public for an announcement by the government of a decision to acquire nuclear weapons?

Mr. Green: No, Mr. Speaker. I am not as devious as is the hon. member for Essex East.

[*Later:*]

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In

view of his statement yesterday to the combined meeting of the Empire and Canadian clubs in Toronto that the Canadian resolution at the United Nations against Soviet imperialism was mainly motivated by the attacks of the Soviet union on the United Kingdom, can the minister tell us whether and how soon he will instruct the Canadian delegation at the United Nations, out of genuine sympathy for the subjugated countries of central Europe, to bring forward a resolution demanding stronger action toward the liberation of the Soviet dominated countries of central Europe?

Mr. Speaker: Order. I rather feel that the hon. member was expressing a point of view leading to some form of controversy with the minister in this regard.

Mr. Haidasz: A supplementary question—

Mr. Green: On a question of privilege, Mr. Speaker, I pointed out in my speech that that was one of the motives for bringing up the question, but I think the speech which was made for Canada on the question of Soviet imperialism last week or the week before speaks for itself and shows very clearly that this government is extremely concerned about the interests of these nations.

Mr. Speaker: Order. I was quite satisfied that the nature of the question was going to bring forth an argument, and that has definitely been borne out. I must say, with due respect to the minister, that there was no question of privilege here. He was doing some arguing.

Mr. Haidasz: On a question of privilege—

Mr. Speaker: Make sure it is privilege.

Hon. Paul Martin (Essex East): Mr. Speaker, a supplementary question. May I ask—

Mr. Speaker: Order. The hon. member has stated that he wishes to speak on a question of privilege.

Mr. Martin (Essex East): I am sorry.

Mr. Haidasz: May I ask the Secretary of State for External Affairs to comment on his answer—

Mr. Speaker: Order. I indicated that the minister was out of order in the argument he was advancing in his reply under the guise of privilege, which I did not recognize.

HOUSE OF COMMONS

PAYMENT OF SESSIONAL STAFF DURING HOLIDAY RECESS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the Prime Minister's statement yesterday announcing a recess of the House of Commons from the 20th of this month until January 21, is the Prime Minister in a position to advise the house whether consideration has been given or any decision has been made relative to the care of the sessional staff of the House of Commons, having regard to their position as breadwinners and in particular that of single persons, in their service to the House of Commons?

Mr. Speaker: Order. May I say that this is a matter for decision by the commissioners of internal economy of the house. A decision in this regard will be forthcoming very shortly.

(Translation):

CANADIAN NATIONAL RAILWAYS

MONTREAL-CHICOUTIMI—USE OF ENGLISH SPEAKING EMPLOYEES

On the orders of the day:

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I should like to direct a question to the Minister of Transport.

Does the minister know that some C.N.R. employees on the train from Montreal to Chicoutimi speak English only even though that area is 98 per cent French speaking?

Mr. Speaker: Order. I should like to remind the hon. member that no question can be asked on the orders of the day concerning the language spoken by railway and airline employees.

(Text):

BRIDGES

CHAMPLAIN BRIDGE, MONTREAL—INQUIRY AS TO REMOVAL OF TOLLS

On the orders of the day:

Mr. B. S. Mackasey (Verdun): Mr. Speaker, my question is addressed to the Minister of Transport. In view of the expected influx of visiters to the island of Montreal for the world's fair, has the government in its long range plans contemplated the removal of tolls on the Champlain bridge?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, if and when a decision is taken in this matter it will be announced.

POST OFFICE DEPARTMENT

DELIVERY OF HOLIDAY MAIL BY TEMPORARY EMPLOYEES

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, I should like to direct a question to the Postmaster General. Is it the intention of the

government to have Christmas and New Year's mail delivered by inexperienced workers while regular mailmen are doing indoor work?

Hon. Ellen L. Fairclough (Postmaster General): Mr. Speaker, I think I know what the hon. member is getting at, but it is too broad a question to answer in a few minutes. As he knows, every year the post offices take on large numbers of persons to assist in the delivery of the mail. How this is managed is largely the responsibility of the postmaster in each centre.

Mr. Denis: A supplementary question. May I ask the Postmaster General if she will consider the advisability of having these inexperienced persons accompanied by regular mailmen so there will be no delays in the delivery of the mail?

Mr. Speaker: Have someone holding someone's hand.

(Translation):

SECRETARY OF STATE

CANADA YEAR BOOK—SIMULTANEOUS ISSUE IN ENGLISH AND FRENCH

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I rise on a question of privilege. I would have liked to do so at the beginning of the sitting, but since the translation comes always a bit late, I waited a few moments.

I want to congratulate and thank the government for having published simultaneously, in French and in English, the Canada Year Book. If one considers that some years the French version was published six months later—

Mr. Speaker: Order. I wish to point out to the hon. member that these publications appear in both languages, according to a custom established many years ago and according to certain regulations. Therefore, there is no need to rise on a question of privilege each time a document is published in both languages. If that matter was brought up every time it happens, members would be rising all day long on questions of privilege.

Mr. Dumont: On a point of order. It is just that delays of six months have occurred in the past and that, this time, justice prevailed.

(Text):

EXTERNAL AFFAIRS

REQUEST FOR STATEMENT ON TALKS WITH POLISH DEPUTY FOREIGN MINISTER

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): May I ask a question of the Secretary of State for External Affairs. In view of his recent talks in Ottawa with the deputy minister for foreign affairs of Poland, I should like to ask the minister what stand he has taken on behalf of the Canadian government on the issues discussed during these conversations?

Hon. Howard C. Green (Secretary of State for External Affairs): Well, Mr. Speaker, this is a new breed of question on orders of the day. My suggestion is that it is completely out of order.

UNEMPLOYMENT INSURANCE

PRINTING AND BINDING OF GILL COMMITTEE REPORT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to ask the Secretary of State if the Queen's printer has completed the printing and binding of the Gill report, and if he has not yet done so will the minister find out and let us know on Monday when it will be ready?

Hon. G. E. Halpenny (Secretary of State): I understand that the printing is completed but we are held up on the binding. I will check.

Hon. Paul Martin (Essex East): May I ask the Secretary of State if there is any objection, so far as he can see, to giving the Minister of Labour a copy of the report in English so there will be a minimum of delay in the government developing a policy regarding a matter that it promised the country three years ago? May I ask the Secretary of State, because thousands of people are very concerned—

Some hon. Members: Order.

Mr. Martin (Essex East): No reply from an arrogant government.

Mr. Speaker: Order.

Mr. Fleming (Eglinton): Talk from an arrogant member.

Mr. Speaker: The Chair is aware of the chit chat that is going on across the floor at this time, and I would suggest that the chit chat could be exchanged outside of the house.

HEALTH AND WELFARE

ESTABLISHMENT OF COMMITTEE ON DRUGS AND CHEMICAL FOOD CONTAMINATION

Hon. J. W. Monteith (Minister of National Health and Welfare) moved:

That a special committee be appointed to consider and report upon (a) the law and practices relating to the control of the introduction, marketing and use of drugs; and (b) the dangers arising from contamination of food by the use of chemicals to kill weeds, insects and other pests;

Establishment of Committee on Drugs

That the committee consist of 15 members to be designated by the house;

That the committee be empowered to send for persons and papers and to report from time to time;

That the committee be empowered to sit during the sittings of the house;

That the committee have power to print such papers and evidence from day to day as may be deemed advisable; and

That standing order 66 be suspended in relation thereto.

He said: Mr. Speaker, the house will recall that on November 30 I indicated the government's intention to recommend the establishment of a special committee to consider and report upon certain aspects of the food and drug responsibilities of my department. In consequence a government notice of motion appeared on *Votes and Proceedings* of Friday, November 30, and was transferred to government orders on December 3. This resolution is set out on today's order paper, Mr. Speaker.

I do not believe I need to read it into the record at this stage. I do not believe I need to dwell on the reasons for this motion which will, I am sure, be supported by all hon. members. Events over the past year, and indeed in recent months almost on a daily basis, have clearly indicated the uncertainties which we are facing in the drug field. While the matter of the contamination of food by the use of chemicals designed to kill weeds, insects and other pests has perhaps not yet gained as high a degree of public attention, it does represent a problem which is likely to become more and more prominent in the years ahead.

As the house is aware, our new drug procedures have been under intensive study by a special committee of the Royal College of Physicians and Surgeons. The report of its findings, together with recommendations, is nearing completion and should be available for consideration by the proposed parliamentary committee. There is also the matter of Bill No. C-3, which has initiated several fundamental changes in our food and drug legislation. In my opinion these changes represent a very real advance in providing some degree of control over the distribution of drug samples and in strengthening our authority in respect of the introduction and withdrawal of drugs.

However, I also felt that it would be well for hon. members to have an opportunity to consider not only the legislation itself but also the practices and procedures relating to control of the introduction, marketing and use of drugs. In the judgment of the government the most effective way of accomplishing this kind of broad and detailed study would be through the establishment of a special committee with such a composition and terms of reference as are set out in the motion now before the house.

[Mr. Monteith.]

I know that all hon. members will join with me, Mr. Speaker, in paying tribute to the effective job which has been done within the authority of the Food and Drugs Act. The fact that we are now giving thought to an investigation of the important parts of this structure is in no way a reflection on the record achieved over the years. However, we seem to be moving into a new era, not only of widening opportunity but also of great complexity in the food and drug field. I think we have a public responsibility to take every possible step to ensure that our legislation and procedures are geared, in so far as is humanly possible, to these new and changing circumstances. I might say that while the work of the committee is going on, the food and drug directorate and other research institutions as well as the drug companies themselves are pushing forward with their research on drug testing. Any information we obtain that would be helpful to the medical profession will be passed on to them promptly. Surely, Mr. Speaker, a lesson to be learned from the recent tragedy is that pregnant women should only take drugs on the advice of their physicians.

In presenting this resolution to the house I ask for the support of all hon. members in approving it so the matter may be carried out without further delay.

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, on rising to participate in the debate on the resolution proposing the appointment of a special committee to study the drug laws and the dangers of chemical pesticides, may I say that on this side of the house, although we are happy to see the minister finally acquiesce in the pleas of the opposition to refer this whole matter of drugs and pesticides to a special committee, nevertheless we are disappointed that the minister took so long and delayed unnecessarily this decision, which no doubt will prevent patients, drug manufacturers and medical researchers from benefiting earlier from the recommendations which we hope the government will translate into law without further delay for the common good of all in this country.

We regret that the minister fell into the same irresponsible attitude of his cabinet colleagues, the pathological attitude, so characteristic of the present administration, to postpone decisions in important matters. It is quite apparent that this government is paralysed with fear of making important decisions, and most likely for the reason that it fears to face grim reality; afraid that it might make a mistake, as it so often does;

afraid to be criticized; afraid of the tribunal of public scrutiny. In short it is afraid to govern.

Mr. Monteith: On a point of order, Mr. Speaker, has this anything to do with the resolution before us?

Mr. Martin (Essex East): It certainly has.

Mr. Haidasz: When it does try to legislate it brings in half baked, incomplete, and incoherent legislation or proposals with which to patch up existing laws. These are often mere palliatives where radical surgery is most urgently needed, and it is no wonder, Mr. Speaker, that the people of Canada have rejected this government and are demanding a change. This resolution is another example of long overdue and incomplete proposals. We are faced in this committee with an assignment of a serious nature, in an area of supreme importance to the health and life of the Canadian people.

It has already been stated, both by the minister and others in this house and in the other place, that Canada's Food and Drugs Act of 1953 is second to none in the world and that it was regarded as a model by the world health organization and many countries which used it as the basis for their own drug and food legislation. I am happy to hear this praise, for it gives credit to the former minister of health, an illustrious member of this house, who has served and continues to serve this house, devoting all his years and all his talents to the common good of all in this country.

Mr. Speaker, in this period of rapidly advancing technological progress in the field of chemistry, the industrialized world is confronted with far reaching changes and progress in foods, drugs, cosmetics and pesticides. In order to keep up with this scientific progress, responsible governments must update their legislation and regulations, thus discharging their responsibility for scientific progress as well as for public safety. That is why we should regularly review vital legislation pertaining to health and life. It is unfortunate that the thalidomide tragedy, producing so many malformed infants and giving their parents untold grief, has forced this and other governments to pay more attention and to initiate a probe into the matter of drugs. I believe that public protection is the overriding motive in considering this probe and new legislation. While government, industry, the medical profession and the consumer have their responsibilities, all of us in this house have the grave responsibility to probe into this matter and enact the best possible legislation for the good of all concerned.

Much has been said and written about the thalidomide tragedy in Canada. Many Canadians have been asking why this misfortune happened in Canada but was avoided in the United States of America. Many Canadians are still asking for the complete explanation of why this government waited three months to request the withdrawal of thalidomide from the Canadian market when Germany did so on November 26, 1961, and Canada waited until March 2, 1962. Many Canadians are alarmed at the removal of many drugs from the market which were previously approved as safe and effective by the food and drug directorate. Many Canadians are increasingly succumbing to iatrogenic or drug-induced diseases and drug allergies. Many patients are revolting against the high cost of drugs. Pharmacists and doctors are complaining about the confusion of the multiplicity of drugs, many of which are ineffective and others dangerous. Responsible laymen and doctors are complaining about the deluge of flamboyant and even misleading advertising of drugs on television, radio, press and in mailed literature.

North Americans, Mr. Speaker, have been stunned by the revelations about chemical pesticides written by a scientist and marine biologist, Miss Rachel Carson, in a book entitled "Silent Spring". In this document we find an indictment of the indiscriminate use of new chemicals which are contaminating our food and our whole environment. This should warn us to be careful, and to prod governments to review their legislation to ensure the safety of the public and the survival of nature.

Besides this government's slowness in banning thalidomide, it has introduced both confusion and dismay in medical research centres by prohibiting the further distribution of lysergic acid diethylamide. Many of us have received complaints from researchers in psychiatry and alcoholism protesting the banning of L.S.D. This drug has been found to be very promising for use in "depth" psychotherapy. Apparently there is no evidence of serious danger if the drug is used by competent psychiatrists who employ full security precautions during the period of its effectiveness. These researchers ask that they should be permitted to work with it in their research projects both in psychiatry and alcoholism. Specialists at the Ontario alcoholism research foundation have recently embarked on a research study of L.S.D., believing that it may be a valuable treatment for alcoholics. Dr. F. S. Lawson, director of the Saskatchewan psychiatric services, claims that L.S.D. had given 50 per cent improvement rate in alcoholics when other treatments failed.

As yet the government has not decided to give these researchers a clear directive and immediate notice concerning the future availability of L.S.D. The world is filled with so many intensely dangerous chemicals that it seems utterly stupid to ban a few which happen to be suitable for use as drugs. It would be tragically unfair to restrict the availability of L.S.D. now that medical researchers have learned to use it properly. What could be done in this case is for the health department to decide to what research institutions L.S.D. should be made available, and to demand that a record be kept of each occasion on which the drug is used, with accounting of all stocks available for inspection at any time. I hope the government will quickly notify these researchers of its final decision.

There are other aspects of the Food and Drugs Act which neither the amendments nor the preliminary remarks of the minister have explained, aspects and problems which are important and today call for stronger legislation. The United Nations Food and Agriculture Organization last summer issued a warning against the use of additives in baby foods. Other problems consist of drug nomenclature, the proper testing of drugs for teratogenicity, the licensing of all drug manufacturers and distributors, ethical advertising both to the medical profession and to lay people, and closer scrutiny of food additives, cosmetics and chemical pesticides.

The public and the medical profession have become uneasy and deeply concerned with the abuses that exist today and keep on increasing in the fields of medical advertising, various food additives, potent pesticides, cosmetics and certain drugs. People are easy marks for ineffective medicine, and there is a danger there of self-medication. The Canadian people are also incensed and indignant at the very high cost of drugs today. I believe that part of this high cost is due to the expensive and, alas, flamboyant advertising both to doctors in their journals and to the public. Just the other day the director of the food and drug directorate expressed his fears about the way advertisers are finding ways to evade advertising regulations.

Another grave problem in this field is the multiplicity of drugs available today. The chief pharmacist of St. Joseph's hospital in Hamilton stressed only about three weeks ago at the Ontario hospital association convention the confusion which exists both in the pharmacies and on the floors of hospitals in view of the multiplicity of drugs. I believe, therefore, that a close examination of this matter is urgent.

Mr. Speaker, let me remind the minister at this point that Dr. Helen Taussig of Johns Hopkins University, who did a thorough study of phocomelia, was greatly impressed with photographs of unborn rats with defects of the extremities produced by the ingestion of thalidomide. That is why she suggested that all new drugs which circulate through the bloodstream should be screened for their effect on the offspring of several species of pregnant animals. There are already several drugs in medical use that are known today to be teratogenic in animals. A few drugs, aminopterin, estrogens, androgens, progestins and thalidomide are known to be teratogenic in man as well as in animals. There is need, therefore, for a program in which all drugs given to a population of pregnant women may be recorded and the offspring followed up for many years. But it would be most prudent, according to leading obstetricians in this country, that medication should not be given to pregnant women without very definite medical indications. I believe, Mr. Speaker, that the Minister of National Health and Welfare should instruct the members of the medical profession to follow this wise advice.

All these extensive tests and controls by qualified investigators mean more work and more expense. This means more highly qualified personnel and more adequate laboratories. It is disappointing that in an answer to a question I asked a few years ago it was stated that there are still about 30 positions in the food and drug directorate which have been vacant for many months. There are many problems in the marketing of safe and effective drugs. On October 4, 1962 the 87th congress of the United States of America unanimously passed many amendments to their food and drug act. These amendments were the result of an exhaustive two year study by a special congressional committee, which also probed the relationship of patent laws with regard to high drug prices.

We in this house welcome the opportunity to study this whole problem with the help of expert advice. But we should remember that all the recommendations and all the additional powers that may be granted to the food and drug directorate, much as they should do to prevent a repetition of the thalidomide tragedy, will not absolutely banish the hazards associated with the use of drugs. Should the future show inadequacies in the laws now being passed, let us hope the pattern of progress will not be repeated again through catastrophe.

Mr. Speaker, with regard to the specific points of reference of this resolution, let me point out to the Minister of National Health and Welfare that they are completely inadequate. There is no mention, for example, of any scrutiny of the problem of cosmetics yet

this problem has been scrutinized by the special committee of the United States congress and it was proved that a great deal of danger has occurred to women by the use of cosmetic sprays. In the field of marketing we hope to examine the indiscriminate advertising and labelling of drugs, and also exorbitant drug prices, especially as they are affected by existing patent laws in Canada.

I am very grateful to my colleagues on this side of the house for having insisted that the Minister of Justice provide the restrictive trade practices commission with adequate help to finish their report by the end of this year. I hope this report will be studied by the committee which we are debating at the moment. As far as the use of drugs is concerned, I hope the Minister of National Health and Welfare, who I am sure will be present at the sittings of this special committee, will allow us to study not only prescription drugs but also drugs that are sold without prescription over the counter, and especially the whole field of patented drugs. Many of these drugs are used by people in the false hope that they will aid them in their maladies, and we know how much danger there is in delaying diagnosis and proper treatment. I believe that the use of many of these patented drugs sold freely over the counter contributes to this danger.

As far as the number of members on this committee is concerned, let me say that 15 is totally inadequate. I believe there are many hon. members on both sides of this house who would like to participate in the hearings of this committee. In order that they be given that advantage I would propose that the committee be increased by at least five more members.

(Translation):

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I take pleasure in joining with all the members in this house who have asked for the setting up of the committee on food and drugs. I will not take too much time, so that the committee can get to work as soon as possible.

However, it is unfortunate that the hon. member for Parkdale (Mr. Haidasz) has taken this opportunity to make a somewhat partisan speech on such an important matter. There is nothing surprising in the fact that the Liberal party has succeeded in getting enacted certain measures of some importance. It would have been rather surprising if they had not, since they were in power during 22 years. It is easy to say that one could do better than another if one had the chance, but it is more difficult to prove it, especially when we consider what has been done in the past. In any case, I want to revert to the resolution now before us.

An hon. Member: It is about time.

Mr. Marcoux: I understand it is about time. But an hon. member took 20 minutes to discuss things which do not concern the resolution. Therefore, I can very well take 20 seconds of the time of the house to make my remarks.

I simply wish that it would be possible to name to this committee physicians who are directly concerned with the use of drugs and who want to be appointed to it.

There is always a great difference between practice and theory. It is a known fact that there are, in the various departments, very efficient officials who might not be absolutely up to date with certain applications for the very simple reason that they have not had the chance recently to practice their skill or their profession.

I therefore express the wish that physicians who are members of this house, can also be members of this committee.

As far as the question of increasing to 20 the membership of this committee is concerned, that would be possible. However, the question was discussed in the committee of the whole house. It is here, in the committee of the whole house, that a request was made for the setting up of another committee. Thus, it is useless to set up a special committee if what is wanted is a committee of all the members of the house. We should then revert to the committtee of the whole house. And since the committee of the whole house has asked to form a special committee I fail to see why its membership should be increased, whether by 5, 10 or 15 members.

Again, I join with all those who have welcomed the initiative taken by the Minister of National Health and Welfare (Mr. Monteith) in setting up such a committee. I hope, as I said a moment ago, that the medical profession, more especially the active medical profession, shall enjoy an adequate representation.

(Text):

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I rise simply for the purpose of saying that the members of this group are heartily in support of this resolution and in favour of setting up a special committee to look into the whole subject of drugs, including their introduction, sale and use. This committee, whose establishment we have been urging ever since the house met and, indeed, before

the house met—in fact ever since the tragedies were reported in connection with the use of thalidomide—could well serve a most useful purpose.

I can see no useful purpose in reviewing the thalidomide incident or in charging the department with negligence, oversight or indecisiveness. This was all debated when Bill No. C-3 was before the house, and I can see no advantage in reiterating the arguments which were put forward at that time. I think, however, it is unfortunate that the minister did not introduce this resolution at an early stage so that Bill No. C-3, the amendment to the Food and Drugs Act, could have been referred to the committee. There are many things in that bill which we found in need of clarification and about which we needed further information. We think this could have been procured had the bill been sent to this special committee. Although the bill has now been passed, I hope its contents and, indeed, those of the whole Food and Drugs Act will be open for discussion by the committee, and I hope the minister will give some undertaking that if in its wisdom the committee should decide to recommend to the house that there be changes to the Food and Drugs Act, or that some of the proposals contained in Bill C-3 ought to be further amended, legislation will be brought down during the session to give effect to those recommendations.

I have particularly in mind lysergic acid diethylamide or L.S.D., as it is often called. When Bill No. C-3 was before the house I understood the minister to say in committee that this drug would be available for clinical use under supervision, that while it was on schedule H it would not be unobtainable by clinics. I am told, however, that some clinics are experiencing difficulty in procuring it. It may be that the regulations which are to be passed in connection with the Food and Drugs Act will clarify this situation, and if that is so I hope the minister will give us such an assurance in closing the debate. Because I want to point out that the use of L.S.D. in mental hospitals and in the treatment of alcoholics has had some beneficial results. No one can yet claim that the results are definitive, because the use of this drug is still in an experimental stage but undoubtedly there is a good deal of evidence to show that correctly used under the supervision of competent psychiatrists it has had very beneficial results in both these cases. I trust, therefore, that the regulations will permit its use, or at least that this whole question will be discussed by the committee.

As a matter of fact, the whole Food and Drugs Act ought to be referred to this committee so that recommendations regarding amendments to it can be brought to the attention of the house. The Food and Drugs Act is a fairly old piece of legislation and the whole field of chemotherapy, the whole field of the production of wonder drugs, as they are called, has changed so radically in the last few years that new techniques for testing drugs, controlling their use and assessing their value are required.

One of the things that concerns me somewhat is that the terms of reference of this committee are fairly limited. The committee is limited in the first instance to an examination of the introduction, marketing and use of drugs. I hope those terms will be considered wide enough to enable the committee to deal with the cost of drugs. If the terms of reference are going to be interpreted on a narrow basis, then certainly, the cost of drugs could not be investigated by this committee. It might be wise to amend the resolution while it is still before the house so there may be no doubt about the committee's authority to look into costs.

Mr. Martin (Essex East): Surely the government would not be opposed to that.

Mr. Douglas: There is nothing in the resolution to indicate that this question would be before the committee and I therefore hope the house will be prepared to amend the resolution so it would also include the investigation of the cost of drugs.

This is becoming an important factor in the expenses of the average family. An investigation was carried out in the United States by a congressional committee under the chairmanship of Senator Kefauver, and the evidence which was brought to light by that committee regarding drug costs shocked the entire nation. In the United States a little book has been published called "It is Cheaper to Die". In it the author, who has been working close to the medical association in the United States as a newspaperman for many years, did a detailed analysis of the sale of drugs. He points out that in many instances there is a markup of 7,000 per cent on drugs, and that the profits made by pharmaceutical houses are exorbitant; that the cost of sending out samples, of paying for patents, and of excessive advertising has raised drug prices to a point at which a severe burden is placed on people in lower income groups who are compelled to purchase these drugs in order to secure the kind of medication they need.

If the minister does not feel that the terms of reference as set out in this resolution will permit the committee to go into the matter

of the cost of drugs, I hope he will be prepared to accept an amendment to widen the terms of reference so there may be no doubt of the committee having full authority.

Mr. Martin (Essex East): Will my hon. friend permit me to ask him a question?

Mr. Douglas: Certainly.

Mr. Martin (Essex East): I agree in the main with what he has said. I am just wondering if we should not assume in this discussion that the phrase in the resolution referring to the power to examine into the use of drugs must be interpreted, in the absence of a denial of this interpretation, to include the very matter which the hon. gentleman is urging the committee be empowered to deal with.

Mr. Douglas: I would certainly hope the committee would have that authority. I had hoped the minister would make some statement regarding it. However, on its face it simply says that they have the power to report upon (a) the law and practices relating to the control of the introduction, marketing and use of drugs. While the clause quoted by my hon. friend may give that authority, it seems to me that the terms of reference are contained in clauses (a) and (b). It seems to me doubtful that an investigation into the cost of drugs would be warranted under those two clauses. If it is not the opinion of the minister that the terms as set out would permit an investigation into cost, I hope he will be prepared to accept an amendment in order to clarify that matter beyond any doubt.

The second part of the terms of reference, clause (b), provides that the committee may report on the dangers arising from contamination of food by the use of chemicals to kill weeds, insects and other pests. I commend the minister for adding this clause. One of the anomalies of the battle which man wages against disease is the fact that while we are constantly finding cures and are successful in defeating the ills to to which man is subject, at the same time new menaces constantly come upon the horizon. One of them—and this has nothing to do with this debate—is the question of radiation fall-out, the danger of strontium 90 and the many other by-products of nuclear fission. This is something which we in this modern age must think about because of its harmful effects upon human beings, both those now living and those yet unborn. However, there are many other dangers. There are dangers from the pesticides and insecticides which are now widely used on this continent.

A short time ago a prominent United States scientist made a survey of the millions of tons of insecticides and pesticides used on this continent, which are washed into the soil and carried into the streams and rivers to find their way into the drinking water used by the people in the cities. As well as that, of course, they find their way into the vegetation and the meat supplies which constitute the food of the people of this continent. Hence a whole new menace has arisen by this widespread use of chemicals. I think we can look forward to an increased use of chemical weed sprays and the use of pesticides by farmers, fruit growers and forestry management personnel. I congratulate the minister on having included this item, as I think it is a very useful study which has been altogether too long delayed.

I should like to say on behalf of our group that we shall support the setting up of this committee. We shall be glad to be represented on the committee. If this committee is given a chance with fairly broad terms of reference I am convinced that it can render a real service to the people of Canada and can help to find some answer to what is a very perplexing problem, namely how we can control the use and manufacture of drugs; how we can see to it that they are as safe as human ingenuity can devise; and, I hope above all, how we can see to it that they are available at a price which the average citizen can afford to pay.

Hon. Paul Martin (Essex East): Mr. Speaker, I rise to deal with one aspect of the resolution before the house. The hon. member for Parkdale, in the comprehensive speech he made on behalf of the Liberal opposition, has covered the points we would wish to emphasize at this time. I had assumed that there is no doubt about the power of the committee to examine into the cost of drugs. It may be desirable to indicate that, under my interpretation, the resolution as it is now drafted empowers the committee to examine into the cost of drugs. The operational part of the resolution before the house provides as follows:

> That a special committtee be appointed to consider and report upon (a) the law and practices relating to the control of the introduction, marketing and use of drugs;

I would interpret the phrase "use of drugs" in the resolution to be broad enough to permit the committee, without coming back to this house to seek an extension of its terms of reference, to be able to examine forthwith the important economic aspects involved in the cost of drugs. The minister has not indicated his view. He certainly did not indicate, when the hon. member who has just taken his seat was speaking, what his view was with regard to this matter. If he were to indicate

by way of interjection that there is no doubt about how the government interprets this resolution—of course that would not necessarily finalize the matter—it would not be necessary to proceed with an amendment at this time. Will the minister indicate, by interjection or otherwise, whether he agrees with the interpretation I am now making and with the interpretation which the hon. gentleman who has just spoken hoped would be given to the resolution? Since the minister does not indicate any modicum of mobility at the moment one way or another—and I may say that is not an altogether uncharacteristic pose on some occasions—

Mr. Monteith: I thank the hon. member very much.

Mr. Martin (Essex East): —I would move, seconded by the hon. member for Cochrane, that the resolution be amended in the following manner:

That after the word "use" in the second line of the resolution there be added the words "and cost of drugs".

Mr. Speaker: Is there any question as to the nature of the amendment and whether or not it is in order?

Mr. G. W. Baldwin (Parliamentary Secretary to the Prime Minister): Yes, Mr. Speaker. I submit with deference that I think the hon. member for Essex East, by the nature of his comments before moving the amendment and the nature of the amendment itself, has ruled himself out of order. He posed a question to the Minister of National Health and Welfare. He said he would like to have the minister comment on whether the subject matters which can be discussed within the ambit of this resolution include the right to deal with certain economic aspects of the sale, manufacture and use of drugs. Having received no answer from the minister he then said, as I take it, that he was assuming that the resolution did not include this and was going to move what in his opinion was an adequate amendment to bring in this additional subject matter. Having done so, he has introduced a subject matter which, according to his own interpretation, is foreign to the resolution and consequently not relevant to the subject matter of the original resolution.

When you take a look at the resolution as originally proposed you will see that under the *ejusdem generis* rule, having in mind that this is a motion moved by the Minister of National Health and Welfare, and alleged by the opposition to be consequent upon their request for the establishment of such a committee made during the course of consideration of amendments to the Food and Drugs Act, the resolution is related to the various aspects of the Food and Drugs Act, which have nothing at all to do with the economic aspects involving the sale, manufacturing and marketing of drugs. The words "control of the introduction, marketing and use of drugs" are to be considered within the meaning, interpretation and operation of the Food and Drugs Act. This is an attempt to introduce into the resolution something completely alien to its concept, and I submit with deference that the amendment is completely out of order and should be so ruled.

Mr. Douglas: On the point of order, Mr. Speaker, if I may say a word, the parliamentary secretary has based his whole argument as to the relevancy of this amendment on the ground that the terms of reference really are that the committee should discuss the Food and Drugs Act. It seems to me if that were the import of the resolution that is what the resolution would have said, that all that is being referred to the committee is a study of the Food and Drugs Act.

I submit to Your Honour that the resolution says no such thing. It says two things; first, that the committee shall have power to look into the law and the practices—not just the law—relating to the control of the introduction, marketing and use of drugs; and second, that it shall have the power to look into the dangers—not the law arising from contamination of food by the use of chemicals to kill weeds, insects and other pests. Therefore I submit to Your Honour that the terms of reference of this special committee are much wider than merely a study of the Food and Drugs Act, and all that the amendment moved by the hon. member for Essex East suggests is that it be clarified that the term "use of drugs" means also the cost of drugs. Personally, if I were on the committee and this came up I would be arguing like the hon. member for Essex East, that the use of drugs certainly includes the cost of drugs.

He is seeking by an amendment to make it clear beyond shadow of doubt that the committee has the authority to look into the cost of drugs. I submit that this investigation is not limited to the study of one act. This is limited to a study of the law and practices with reference to the use of drugs and also with reference to the dangers of contamination from insecticides and pesticides. Therefore it seems to me that to clarify the terms of reference by inserting the word "cost" is perfectly relevant to the spirit of the resolution.

Mr. Martin (Essex East): Mr. Speaker, I should like to speak on the point of order if Your Honour thinks it necessary. If Your Honour takes the view that the amendment

is in order, then there is no need of my joining to support the interpretation given by the hon. member for Burnaby-Coquitlam. Do I take it that Your Honour agrees that the amendment is in order?

Mr. Speaker: At the moment I think the burden of proof is on the hon. member.

Mr. Martin (Essex East): I was hoping that was not the case, but since Your Honour has imposed that burden I will endeavour to discharge it. I think the hon. member for Burnaby-Coquitlam has dealt completely with the objections raised by the hon. member for Peace River. We are not discussing the Food and Drugs Act as such in this resolution. The resolution does not address itself to the amendments of the Food and Drugs Act which were introduced in the house a few weeks ago. It deals with a much wider aspect of the whole problem, a wider aspect introduced by the government itself.

While the government had considered establishing a parliamentary committee to go into the whole question, it did not act on the suggestion made by the opposition parties that the bill be referred to a committee. The government has not restricted itself to the narrow terms of reference which would have been involved, if the bill which was dealt with a few weeks ago had been referred to a committee.

The fact is that the government has initiated a wider discussion than that contemplated, into the whole question not only of the use of drugs but, as the hon. member who has just spoken pointed out, into the law and practices relating to the control of the introduction, marketing and use of drugs. That this amendment is clearly in order will be seen, I believe, in the literal meaning of the word "marketing". We would not have introduced this amendment but for the reluctance of the minister to indicate to the house that the government interpreted the resolution as empowering the committee to examine into such matters as the cost of drugs.

Now, the fact that the government has not given any indication that it desires this interpretation does not mean, of course, that the resolution as presently drawn does not include the right of a committee to go into the question of the cost of drugs; this is clear. I am assuming that this committee, when it does meet, even though there might be no change in the form and wording of the present resolution, will seek, as I think the language of the resolution warrants, to examine into the cost of drugs.

Mr. Speaker: Order. I am not at all worried about the merit of what the hon. member is trying to achieve. What I am concerned with is the point of order, his right to make such an amendment.

Mr. Martin (Essex East): Your Honour is quite right. I was driven into these irrelevancies because they were introduced by the hon. member for Peace River.

Although not the immediate point before the house, the argument of the hon. gentleman from Peace River was that the amendment which I proposed was foreign to the resolution now before the house. I would ask Your Honour to note that in the resolution the word "marketing" is included. The concise Oxford dictionary, which I have taken from the table, defines the word marketing in this way:

> Buy or sell in the market; sell goods in the market.

Well, now, this clearly establishes that the amendment is not in any way foreign to the implications or indeed the actual direction contained in the resolution itself. I submit, for this reason, that this amendment is in order. We should amend the resolution accordingly so as to empower the committee, without any doubt, to examine into the important question of the cost of drugs, as long as there is no violation of the division of powers between the two senior levels of government.

Mr. Speaker: It has been moved by the hon. member for Essex East and seconded by the hon. member for Cochrane that the motion be amended by inserting after the word "use" in the second line the words "cost of drugs". On the matter of whether this amendment can be received at all I would draw hon. members' attention to Beauchesne's fourth edition, citation 291, which reads as follows:

> When the house is considering a motion, of which notice has been given, for the appointment of a select committee, a member cannot move an amendment that the committee be given wider powers than those which were set down in the notice.

In addition there is this dilemma that the hon. member faces. If in the word "marketing" there is included the question of cost, then the amendment is redundant. On the other hand, if it is not included in "marketing" he is seeking to widen the powers of the committee and this is something the hon. member cannot do. He cannot seek to widen the powers of a committee. As a matter of fact the minister, in presenting this motion, could not put forward an amendment to broaden the powers of the committee without the unanimous consent of the house. If the house gave unanimous consent, then of course that could be done. The powers are very limited.

I could give the hon. member many more citations and rulings by Speakers. There is one by Mr. Speaker Macdonald which appears in *Journals* for April 4, 1951, page 243. He ruled that an amendment cannot be moved giving the committee wider powers than those which were set out in the notice of motion. Then there is another ruling by Mr. Speaker Macdonald on November 2, 1951 as contained in the *Journals*, page 67. He said:

I might say at this time that if the minister himself proposed an amendment which would widen the terms of the resolution I could not allow it to stand unless it was with the unanimous consent of the house.

There were other rulings in 1952 as published in the *Journals* at page 240, again by Mr. Speaker Macdonald; in 1959, April 29, appearing in the *Journals* at page 361, a ruling by Mr. Speaker Michener. I cannot, therefore, accept the amendment.

Mr. Douglas: May I ask the minister if he would accept the amendment and ask for the unanimous consent of the house?

Mr. Speaker: There is one difficulty. The hon. member has already spoken, so he cannot rise.

Mr. Martin (Essex East): I had not finished my speech.

Mr. Speaker: Order. The hon. member for Burnaby-Coquitlam (Mr. Douglas), having spoken, cannot rise and ask a question. He is entitled to speak only once. Any hon. member may put this question to the minister, but if the minister rises to reply that will conclude the debate. The question may be put to him and he may ultimately answer it, but hon. members are in this dilemma, that if he answers the minister closes the debate.

The hon. member for Essex East had not yet completed his remarks, but had put his amendment and we had dealt with the point of order that was raised at that time. I shall therefore hear the hon. member if he desires to complete his remarks, but not on the point of order.

Mr. Martin (Essex East): Your Honour is quite right. The point of order has already been disposed of and, I regret, against the view which I think should have prevailed. The hon. member for Burnaby-Coquitlam has made a valuable suggestion, and while under ordinary circumstances he would not deputize me to speak for him, I think in this particular situation he would. I now put to the Minister of National Health and Welfare the suggestion the hon. member has made. If the minister, when he speaks, will accept the amendment proposed it will receive the unanimous consent of the house. Then we will have an opportunity to perfect the resolution and remove any doubt as to the committee's powers.

I am not speaking to the point of order, but am continuing my remarks. There is no question now about the need for an amendment because this resolution, as presently drawn, does give us the power—this we must affirm—to examine into the cost of drugs because the word "marketing", as I indicated, according to the Oxford dictionary means buying or selling in the market, selling goods in the market. The committee, therefore, in dealing with this resolution is clearly faced with a resolution which will empower it to examine into the cost of drugs.

We now express the view that we hope the government is not going to put any obstacle in the way of the committee when established, to prevent the committee going into this important aspect of the resolution, namely the cost of drugs. The cost of drugs is a matter which has greatly agitated the Canadian people. While there are some problems involved in such an examination that come within the competence of the provincial governments, there is a wide area which would permit an examination into the cost of drugs by a parliamentary committee of this house, particularly in the light of the report which will shortly be made by the restrictive trade practices commission which enquired into certain areas of the problem.

This committee could serve a very useful purpose. I am sure I express the view of all hon. members when I say we recognize that the food and drug directorate of the department under Dr. Morrell is not the subject matter of inquiry. I can say, having had long experience with Dr. Morrell, that Canada has no finer public servant.

Mr. Churchill: Could we carry the resolution now? We have had five speeches on it.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion? The hon. member for Winnipeg North. Was it agreed that the parties would name their speakers, or was there no such agreement?

Mr. Pickersgill: I know of no such agreement, and the hon. member for Winnipeg North rose.

Mr. Churchill: The suggestion was made last night, and there was no objection to it, that there would be one speaker from each party. I am in the hands of the house.

Mr. Pickersgill: As a matter of fact no such suggestion was communicated to me nor, to the best of my knowledge, to the hon. member for Laurier (Mr. Chevrier). I checked with him about the matter.

Mr. Churchill: It was stated in the house last night.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Speaker: The hon. member for Winnipeg North.

Mr. Pickersgill: I wonder, Mr. Speaker, if the hon. member for Winnipeg North (Mr. Orlikow) would permit me to raise a point of privilege very briefly, which I intended to do as Your Honour left the chair, about the remarks made by the hon. member for Winnipeg South Centre (Mr. Churchill), and I regret he is not here. I have since confirmed my memory by looking up *Hansard*, and what the minister said last night was that if there was only one speaker from each party it would not take very much time. There was no indication whatsoever of an agreement, and I would not like the implication left that there was any.

Mr. Speaker: I think it is clearly understood.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to begin by saying that even if there had been an agreement that there would be only one speaker from each group, in so far as the members of this party are concerned the refusal of the minister to permit the committee to discuss what we consider to be one of the most important questions this or any other committee of the house will have to discuss within the next year, namely, the tremendous cost of basic drugs—

Mr. Monteith: On a point of order, Mr. Speaker, I have never refused this.

Mr. Orlikow: I would have been more than happy, as I am sure the other hon. members who spoke this morning would have been, to have had the minister get on his feet and give the very clear statement he has now given in one sentence.

Mr. Speaker: Order. I think the hon. member would of course appreciate that the hon. minister could not speak, as he would have closed the debate, and the hon. member who now has the floor would not have had his opportunity to speak.

Mr. Orlikow: Mr. Speaker, the minister could have nodded his head and we probably would have saved three or four hours of debate in the house before this matter is settled. It seems to me that the resolution moved by the minister is very clear. When you talk about marketing of drugs obviously you can only mean the production by drug companies of drugs for sale and the use of drugs which are to be used on prescription.

If the cost of drugs is put at a figure which makes it difficult, and indeed impossible for people of ordinary means, to purchase them on prescription then their use, to say the least, will be restricted.

Mr. Valade: The same old song.

Mr. Orlikow: The hon. member says it is the old song. I hope that during the next election he goes out to the people in his constituency and tells them that this is not important because I know, and I am sure every other hon. member in the house knows, that there are people in every constituency in the country who have bills for cortisone running at $1 or $2 a day, and people who have bills for tranquilizers running at $1 or $2 a day. I do not know what kind of people are represented by the hon. member who interjected that remark, but I can tell him that in my constituency there are thousands of people who cannot afford those kinds of prices.

Mr. Speaker: Order. I think the hon. member will realize we are not going to argue this matter of the cost of drugs. This is a motion for the appointment of a special committee. It is not a motion upon which we will canvass the whole question of drugs and so forth. We must be relevant.

Mr. Douglas: On a point of order and with great respect, Mr. Speaker, we are discussing a motion to set up a special committee of the house and outlining the terms of reference of that committee. It is certainly within the rights of the hon. member to discuss the terms of reference, or anything which he thinks should be included in the terms of reference.

Mr. Martin (Essex East): Or his understanding of what the terms are.

Mr. Speaker: There is no direction from the Chair that such could not be done, but not in great detail. There is a matter of relevancy which I think the hon. member will recognize.

Mr. Pickersgill: On the point of order, Mr. Speaker, the hon. gentleman was talking about marketing and he was seeking to define a precise term in the resolution itself. It seems to me that we must try to maintain what is the most important thing in this house, and that is freedom of speech.

Mr. Orlikow: This is a question on which I spoke when the original motion came up and it was not my intention to spend more than five or ten minutes discussing it now because, in my opinion, the facts are so clear that

they do not need to be gone into at any great length. But, if hon. members on this side of the house insist on interrupting I shall certainly have to take the time to go into more detail than would ordinarily be necessary. I wonder if the hon. member who interjected has had occasion or the interest to look at the report prepared by Mr. Henry, the director of investigation and research, Combines Investigation Act. If he looks at it and reads the conclusions he will understand what I mean. I want to read just a couple of paragraphs which I am sure will convince any member of this house who is open to reason that this is a question which not only could be, but must be discussed in the committee when it meets. I quote, Mr. Speaker, from page 257.

> The information obtained in this inquiry appears to indicate that, at the manufacturers level, prices of certain drugs are affected by the control over the manufacture, distribution and sale of such drugs exercised through patents. The provisions of the Patent Act relating to compulsory licences appear to have proved ineffectual to combat this situation and the clear intent of the act has been frustrated. This conclusion is not intended to imply any opinion about patents as such, it is intended simply to indicate that, in relation to the sale of drugs in Canada, patents have been and are being used to create monopolistic situations which the Canadian law appears to have been designed to prevent. The control exercised over the manufacture, distribution and sale of certain drugs through patents has virtually eliminated price competition in respect of such drugs and has encouraged other forms of competition which, while possibly bringing other benefits to the public, have resulted in prices being increased rather than decreased.

Further on Mr. Henry says:

> Prices of drugs in Canada are among the highest in the world. These prices tend to reflect current prices of the same or comparative drug products in the United States but, because of the sales tax applicable in Canada, prices to consumers in Canada are about 11 per cent higher.

Mr. Speaker, I suggest to hon. members that this is a clear indication of the importance of discussing the question. If hon. members are still in doubt, I would suggest that they look at the findings of the Kefauver committee in the United States. Let me quote just a couple of lines from Senator Kefauver's report. Hon. members will find this in report No. 448 at page 50:

> Using the average stockholders' equity at the beginning and end of 1959 as the denominator, and the profits for the year as the numerator, the rate of return for the drug industry...was 18.1 per cent. In contrast, the average rate for all manufacturing corporations was 10.5 per cent. In terms of profits as per cent of sales, the drug industry averaged 10.3 per cent whereas all manufacturing corporations averaged 4.8 per cent.

Then Senator Kefauver goes on to point out how on particular drugs, such as one of the most popular tranquilizers, one of the large companies was making over one and a half cents profit on every single tablet they sold to the American public in millions, if not billions, every year. When we see this situation it is not at all surprising that in the opinion of members of this group it is of the utmost importance that the problem of drug prices should be gone into thoroughly by the committee. I am sure that whichever of our members are on that committee they will make this one of the first proposals to the committee when it meets.

I would like to say just a few words about some of the other matters which have been dealt with up to now. I was amazed, I must say, by the speech we heard this morning from the hon. member from Parkdale, Mr. Haidasz, because most of the things of which he accused this government, their indecision, their failure to act, and so on, the difficulties he pointed out, the problems which have arisen in connection with the sale of cosmetics, the irritating chemicals which have been found in cosmetics, the problems he raised in connection with all the other drugs which he mentioned and the problems in connection with pesticides, have been with us for many years, and were problems which were with us even when the former government was in office. I do not say this is an excuse for this government not having acted, but why the hon. member for Parkdale got so excited, I find it difficult to understand. Surely the one thing that has come out of the evidence with regard to the difficulties which have arisen from the drug thalidomide is the fact that the law was not strong enough, not tight enough to give the department the authority to order the discontinuance of the use of the drug. The department had only advisory power; it had to work in co-operation with the drug companies, and so naturally the department was loath, I am sure, to act until it was 100 per cent certain it was correct.

It seems to me that one of the things the committee will have to do will be to make inquiries as to what procedures would be best, so that the department will have the flexibility and yet the right and authority to call for the discontinuance or the suspension of the use of a drug if and when it is found that the drug is harmful.

Having said that, Mr. Speaker, and having said on an earlier occasion that I thought the government moved much too slowly in the thalidomide case, from everything I can find out the department is moving much too fast in connection with the banning of the L.S.D. drug. The leader of this group mentioned this morning that a hospital in North Battleford was told that they could not get

their usual supply of L.S.D. This matter was taken up with the minister and it is true that steps have been taken to correct the situation. I think this is the important point, however, which the committee will have to look into, not only because of the importance of L.S.D. but because the procedures go to the whole heart of how we should deal with drugs in this rapidly changing situation, when there are new drugs almost every day. The fact is that as far as I can find out the provision in the bill to prohibit the use of L.S.D. was made without consultation with the people who have been using it. As far as I can find out, the drug has been used in only a very few institutions and under the most rigid control, and yet in Saskatchewan, Manitoba and Quebec, the decision to ban the use of the drug was taken without consultation with the people concerned.

In an order for return which was tabled the other day, in the correspondence dealing with this subject there appears a letter dated October 18, 1962, to Dr. J. D. Murphy, chief medical officer of the food and drug directorate of the Department of National Health and Welfare in Ottawa. The letter is from Dr. Hoffer, the director of psychiatric research in the province of Saskatchewan and reads as follows:

Dear Dr. Murphy:

I have just seen a circular sent by Dr. Morrell, dated October 12, 1962, in which thalidomide and lysergic acid diethylamide are placed on the schedule H. Does this mean that L.S.D. will no longer be available for clinical use? As you know, we have now treated perhaps 500 alcoholics in this province, and we would be very annoyed indeed if we could no longer get access to it. Would you please let me know immediately.

That is signed by Dr. Hoffer. The fact that the people in Saskatchewan have now been informed that they can get it is, I think, good; but the fact that they were not consulted in the decision that was made indicates a very serious defect in the whole set-up. I have a letter dated November 11, 1962, from Dr. D. Ewen Cameron of the Allan Memorial Institute. Dr. Cameron is at present the president of the world psychiatric association. The letter is written to me in response to a letter on my part asking about this question. I would like to read into the record, Mr. Speaker, what Dr. Cameron says. Of course, the letter is available to the minister if he would like to see it. It says:

Frankly, many of us have been somewhat concerned over the reaction to the thalidomide tragedy. There has seemed to be a danger that in dealing with this particular matter we may set up such stringent regulations that the progress of medical research may be substantially slowed. It is a matter of common knowledge that when ether and chloroform were first introduced and, indeed, when the early drugs for the control of syphilis were produced, deaths occurred which were attributable to the therapeutic agents themselves. This was also true, at least in the early days, of insulin and yet, even in retrospect, would anyone willingly take the position that chloroform and ether should not have been introduced when they were, or that the use of insulin should have been deferred for another 30 years until we had the present, much safer, oral forms of administration?

It seems to me that there is little progress anywhere in human affairs without some price being paid. This is apparent in the progress we have made in transportation by the development of the automobile and yet I think no one anticipates that we will eventually travel to the planets without some men's lives being lost on the way.

In my own field, insulin coma treatment regularly killed a certain percentage of patients every year and so did the malarial treatment of general paresis. Yet so serious were the diseases that no one at any time urged that these should be abandoned until they had, as we do now, still better and safer methods. Indeed, if we stepped back from the matter, we must agree that the whole business of living is a calculated risk.

Turning, however, to the practical issues, I am sorry that L.S.D. has been picked out for special attention. We have used it for many years. It is quite a harmless preparation. It is useful for diagnostic purposes, particularly for the obtaining of information which can subsequently be applied in psychotherapy. Some people have found it of value psychotherapeutically, but our interest and use of it has been, as I say, chiefly diagnostic. However, apart from any particular drug, my great hope is that whatever regulations are set up, they will not be too burdensome and time-consuming, for if they slow down the processes of research we can be quite sure that many, many more will be harassed and crippled or even die, than will be protected.

This letter clearly indicates that we are in a difficult field. There are no easy answers. One cannot say in advance what drugs should be banned and what drugs should be permitted. It is my hope that the committee will call as witnesses not only representatives of the drug industry but representatives of the medical colleges, of the clinics, of the practising physicians and others who can testify as to the experiments they are making and the results they have found. Otherwise, we shall find it impossible to devise practical methods of control. Yet control there must be. I think it would have been much better if the provisions of the bill the government lately brought in had been sent to the committee for consideration along with the other matters. I hope that when this committee meets it will take the widest latitude to call all witnesses who might be in a position to give it expert advice.

I do not want to get into a debate about whether this is a good act now, or whether it was a good act ten years ago, but I might point out that there are thousands of preparations being put on the market every year not only in connection with medicine but with agriculture and forestry. In my opinion proper protection for the people of

Canada will not be provided until the department is not only competently staffed—as it is at present—but until it is of a size to enable it, in co-operation with the medical colleges and the chemistry departments of the universities, to carry out an investigation on the broadest scale of all the drugs which are used by the Canadian people. I wish this committee had been set up on the first day, or in the first week of the session. It could have done a tremendous amount of work by now. If we look at the evidence which the Kefauver committee was able to take before reaching its decision we can realize the tremendous amount of work which this committee will have before it. I hope it will get on with the job as soon as possible.

Mr. W. B. Nesbitt (Parliamentary Secretary to the Minister of Trade and Commerce): There is one question I should like to put to the minister. Perhaps he would clarify the position when he closes the debate. The terms of reference of the committee fall under two headings (a) and (b), and I am wondering whether those substances which are fed or injected into animals for the purpose of tenderizing the meat or making them grow faster could be included in the matters into which this committee has power to inquire. There have been a great many rumors about these substances and I think this is a question which might be considered by the committee.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I want to nibble on this well known parliamentary bone for a few minutes because I am particularly interested in one aspect of this resolution. Like the rest of the members of this party, I support the resolution wholeheartedly and I consider that the work of this committee, if it is given sufficient scope, will be of greater importance to the Canadian people than the setting up of the economic development council.

I trust that when the committee deals with the question of the control, marketing and use of drugs it will call witnesses from the drug industry, the medical professions, from the trade and also from the department. I think the committee should be given ample time in which to make as full an investigation as possible of all aspects of this question. I think the word "marketing" in the terms of reference is an unfortunate one. In my opinion it would have been much better if the resolution has used the word "distribution" because then there would have been no doubt about the cost of drugs being within the field of inquiry. I hope the committee does have full power to obtain evidence as to the cost of drugs because this represents an important question to many Canadians.

I was talking to my hon. friend who has just resumed his seat and he has numerous cases where people for whom certain prescriptions had been written could not take advantage of those prescriptions because they could not afford to buy the drugs. One person in Ottawa some months ago gave me a pathetic illustration of that situation. I hope the committee will call before it representatives of the manufacturers, of the trade and of the retailers in connection with the cost of drugs. I understand that usually the retailers are blamed for the high cost of drugs because they come into direct contact with the consumer. However, their prices are largely determined by the prices charged by the manufacturers.

Then, under (b), the resolution gives the committee power to consider and report on the dangers arising from the contamination of food by the use of chemicals to kill weeds, insects and other pests. I have been interested in this aspect of the question for some years. I am, of course, very interested in agriculture and I see both sides of the question—the point of view of the agriculturist and also the approach of the person concerned with the preservation of human and wildlife. I am not sure whether this resolution covers an investigation of the damage done by these chemicals on the health of wildlife.

Considerable damage has been caused to the health of wildlife in this country as a result of the use of insecticides and pesticides. I am not sure whether I am in order in mentioning that matter, Mr. Speaker, I see you looking at me with some doubt. I therefore shall not go along that route any further except to say that I am one of those who, when it comes to a question of sacrificing certain land that could be drained in order to preserve a duck habitat or landing area, I will save the place for the ducks rather than bring into production the land in question.

Since you have indicated, Mr. Speaker, that you do not like me to trespass on the rules I am not going to quote from a document which I have here and which was written by an important person who is very much interested in this problem. However, when it comes to the question of the effect of the dangers arising from contamination of food by the use of chemicals to kill weeds, insects and other pests, I consider the committee has there a very heavy task and one that is not going to be completed in a few weeks.

I suggest that this is a problem of such great urgency and of such great importance that witnesses will have to be called, particularly persons who have conducted research into this type of thing. I should like to see

called before the committee representatives of agriculture organizations; representatives of the trade, that is to say manufacturers and distributors of these products; and representatives of the consumers organizations of Canada. They have been quite interested in this problem for a number of years from a consumers point of view. I think that the Consumers Association of Canada and other similar organizations should have an opportunity to express their views before this committee. Then I should like to see officials of the Department of National Health and Welfare called before the committee in order to get their side of the story and also officials of the Department of Agriculture, particularly the gentlemen who recently, I thought rather hurriedly and rather caustically, criticized the book recently published by Rachel Carson, entitled "Silent Spring". I consider that an examination of this question will require the calling of witnesses from very wide fields.

In connection with this subject I wish to draw to the attention of the house this book, "Silent Spring" written by Rachel Carson. I suggest that any member of this committee and any member of parliament who is interested in the health of the nation and in the health of our wildlife should purchase this book. I purchased it recently and found it to be most informative and most enlightening, and I have followed this subject for many years. In support of my argument with regard to the necessity for full consideration of this aspect of the resolution—and I am rising to speak particularly because of this aspect of the resolution—I wish to quote briefly from this book in order to rouse hon. members' interest in the book itself and in the subject.

At page 15 of this book, commencing with chapter 3 entitled, "Elixirs of Death", the writer states as follows:

> For the first time in the history of the world, every human being is now subjected to contact with dangerous chemicals, from the moment of conception until death.

What an appalling thought that is, Mr. Speaker.

> In the less than two decades of their use, the synthetic pesticides have been so thoroughly distributed throughout the animate and inanimate world that they occur virtually everywhere. They have been recovered from most of the major river systems and even from streams of groundwater flowing unseen through the earth. Residues of these chemicals linger in soil to which they may have been applied a dozen years before. They have entered and lodged in the bodies of fish, birds, reptiles, and domestic and wild animals—

And so on. I can speak from personal experience, Mr. Speaker, of having had cattle die on the range because of eating grass which had been covered by some of these insecticides. This is a very serious problem indeed.

Furthermore, I wish to quote from another chapter of this book, at page 68, which deals with weed killers. This is one of the subjects mentioned in the resolution:

> The chemical weed killers are a bright new toy. They work in a spectacular way; they give a giddy sense of power over nature to those who wield them, and as for the long range and less obvious effects—these are easily brushed aside as the baseless imaginings of pessimists. The "agricultural engineers" speak blithely of "chemical plowing" in a world that is urged to beat its plowshares into spray guns.

Then with respect to insecticides, I quote from page 196:

> They succeeded so well that their spurious product responded to the appropriate chemical tests and deceived the government chemists.

They are referring to some investigations in the United States where even the officials of the counterpart of our food and drug division were deceived after long investigation as to the dangers of some of these insecticides and pesticides and their side effects, should I say. I continue:

> To give their false ginger the necessary tang they had introduced a chemical known as triorthocresyl phosphate. This chemical, like parathion and its relatives, destroys the protective enzyme cholinesterase.

And so on. Then further:

> About two decades later various other organic phosphates came into use as insecticides, as we have seen, and soon cases reminiscent of the ginger paralysis episode began to occur.

This was a case of paralysis being caused in human beings as the result of eating food that had been treated with insecticides and pesticides.

This illustrates the serious nature of this problem. It is very easy to destroy insects en masse and to stamp out disease. However, I am one of those who believe that we are interfering with the balance of nature. These things can be done and can be done quickly. We have not had enough investigation as to the effect of the free use of these products. I refer to these sprays and things of that sort. The same comment applies to the sprays used on fruits, vegetables and farm production that is sold for human consumption. I therefore urge that the committee will naturally follow and attach great importance to the first section of this resolution as it is of prime importance. I urge that they realize the great importance of this problem and the effect of insecticides and pesticides on the health of human beings. I hope the committee in its explorations will also secure some evidence

as to the damage caused to wildlife in Canada. With those few remarks, Mr. Speaker, I resume my seat.

Mr. Speaker: I would direct the attention of hon. members to the fact that if the minister speaks now he will close the debate.

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, in closing this debate I should like to point out that I think it is probably up to the committee itself to determine the definition of the word "marketing" in the resolution. The resolution reads in part as follows:

> That a special committee be appointed to consider and report upon (a) the law and practices relating to the control of the introduction, marketing and use of drugs.

I would take it that means the control of the introduction, control of marketing and control of the use of drugs. I think the context in the resolution in which the word "marketing" is used relates to the whole process of getting drugs on the market with proper safeguards. I think it must be agreed that the problem which has brought about the proposal to establish this committee relates to drug safety and consequent implications. Let us not be sidetracked. The prime purpose of this committee is to study the quality of drugs and the consequent protection of Canadian citizens.

The report of the restrictive trade practices commission has not come down yet and when it does I believe that will be the time for the committee to decide what it might wish to do in this respect. I do implore the members of this committee not to forget the main purpose of their appointment. I would hope that the committee would get on with the objective, which involves concern for the safety of drugs.

I should like to refer to two or three things which were brought to the attention of the house by certain hon. members who have spoken. The hon. member for Quebec-Montmorency (Mr. Marcoux) made a very considered contribution to this debate. He showed a desire to help to achieve our main objective. I should like to assure the hon. member for Burnaby-Coquitlam (Mr. Douglas) the L.S.D. is available and its use will be permitted in research and clinical work. This was discussed at length when Bill No. C-3 was before the house. I know that we were quite cognizant of the desire of the house as a whole at that time and consideration has certainly been given to this matter. As was pointed out by the hon. member for Winnipeg North (Mr. Orlikow), while there may have been some misunderstanding on the part of a certain institution at one stage, this has been rectified. The drug has actually never been off the market and it has never ceased to be available for these purposes.

I should also like to assure the hon. member for Burnaby-Coquitlam that Bill No. C-3 can certainly be examined in the committee and suggestions made at that time will be given every consideration. It is perfectly all right as far as I am concerned to discuss the act in the committee.

My prime objective, Mr. Speaker, in having this committee set up is to see if there is anything further that can be done for the protection of Canadians, because in the handling of drugs we want to ensure that Canadian citizens are given every protection possible. That is the prime consideration in the formation of this committee.

The hon. member for Oxford (Mr. Nesbitt) inquired about the use of substances fed to or injected into poultry and the hon. member for Kootenay West (Mr. Herridge) inquired as to the effects of insecticides on wild life. We read under (b), "the dangers arising from contamination of food by the use of chemicals to kill weeds, insects and other pests". It may be that this does not particularly cover the point raised by the hon. member for Oxford, but I think it does cover that raised by the hon. member for Kootenay West. If the committee should see fit to examine into these subjects I would be very happy to have it do so, and I would certainly have no objection if the members of the committee saw fit to inquire into the substances mentioned by the hon. member for Oxford. This would be perfectly in accord with the intent in setting up the committee.

I think it was obvious, Mr. Speaker, that the hon. member for Essex East (Mr. Martin) only entered the debate to try to get the hon. member for Parkdale (Mr. Haidasz) off the hook in regard to his references to Dr. Morrell and the food and drug directorate. In his opening remarks the hon. member for Parkdale said something to the effect that he was pleased that the government had acquiesced. Let it not be said that the government acquiesced. In my opening statement when Bill No. C-3 was before the house I mentioned that I would consider a committee at the appropiate time. Again during the discussion of the bill in the house I mentioned several times that I would give proper consideration to the setting up of a committee. Last Friday I said in the house that a committee would be set up, and this was done only after proper consideration had been given to all the factors of the drug situation, which seem to be multiplying. We determined that such a committee would serve a useful purpose. It seemed to me, Mr. Speaker, that

it was obvious that the hon. member for Parkdale wanted this committee set up for political purposes only and that—

Mr. Martin (Essex East): On a point of order—

Mr. Monteith: —he wanted to play politics.

Mr. Martin (Essex East): On a point of order, Mr. Speaker—

Mr. Speaker: Order. I think the minister will recognize that we cannot impute motives. We must be rather careful about that.

Mr. Monteith: If you say it is out of order, that is perfectly all right, but I claim it was no more out of order than the remarks of the hon. member for Parkdale.

Mr. Martin (Essex East): Mr. Speaker, the hon. gentleman is not paying heed to your ruling. He is seeking to do indirectly what he cannot do directly. The hon. gentleman was clearly out of order in imputing motives to the hon. member for Parkdale and he should be told without any equivocation that he has violated your direction.

Mr. Speaker: I think the minister recognizes what I said and we will carry on from there.

Mr. Monteith: Mr. Speaker, may I put it this way? In my estimation the remarks of the hon. member for Parkdale were made to incite an argument and certainly—

Mr. Pickersgill: A debate.

Mr. Monteith: I do not mind an argument in debate, but certainly the tone of his remarks in his opening statement was to the effect that this committee would not be a harmonious committee to the extent that I would wish to see. I wish to see this committee do something for the benefit of Canadian citizens and not be a straight political committee. I had hoped, until the hon. member for Parkdale spoke, that this committee would be above this sort of thing and would make a serious study of this whole question for the benefit of all Canadian citizens. I still hope so, Mr. Speaker.

Motion agreed to.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Thursday, December 6, consideration in committee of Bill No. C-94, to provide for the establishment of an Atlantic development board—Mr. Flemming (Victoria-Carleton)—Mr. Paul in the chair.

On clause 1—*Short title.*

Mr. Granger: Mr. Chairman, last night at ten o'clock I was seeking to make some suggestions with regard to matters which I thought the new board might consider. I was talking particularly about the fisheries of Newfoundland and Labrador and I was suggesting that one practical matter which the new board could look into was assistance for fishermen who had been away from their jobs for some time and needed to be re-established, men who had previously been employed at other jobs and wanted to become fishermen, or those fishermen whose gear and property had become run down to a point where it was adversely affecting their incomes. I would hope that financial assistance to fishermen in these basic problems would be considered by the new board.

There are other matters I should like to touch on briefly and I will deal with them in detail when the estimates of various departments are called. There is the matter of bringing unemployment insurance for fishermen who sell their fish fresh, up to the same level as prevails in the case of those who are engaged in the salt fish business. I should like also to mention the need for community stages, adequate bait and salt supplies for the fishermen. I might mention the need for the installation along the Labrador coast of community stages which would include cookhouses and bunkhouses for summer crews. These are just some of the matters in connection with the fisheries which I would hope the new board would look into.

I referred briefly to the need for roads in Labrador and specifically to the building of roads necessary for the development of the forests of Labrador. In that connection, I should like to point out the need for federal roads to resources in the interior of Labrador. As most hon. members are aware developments are taking place in western Labrador today, the magnitude of which has seldom been seen in Canada. One of the great industrial developments of all our history is taking place, and two new towns are growing. All these matters should be examined, and particularly the matter of road building in this vast new empire should be examined.

I should like to refer specifically to Gander airport, where a great new terminal and new townsite have been established. Gander airport represents an investment of millions of dollars by the federal government. I should like the new board to look into the possibility of making use of the unused potential there. Further use of the airport could perhaps be

made by changing the patterns used by international air carriers. I do not know, specifically, what can be done in this respect but I do believe an attempt should be made towards the greater utilization of this airport. It might be used to a greater extent by the R.C.A.F. and this should be considered. The possibility of establishing secondary industries in the Gander area might also be considered.

In so far as the forest business in Newfoundland is concerned, may I again refer to the need for roads through these forests to aid in the protection of the forests from such pests as the woolly aphis which I mentioned last night. Thus far, I have been mentioning the spending of money but I should like it to be understood that I consider such expenditures, if recommended by the board would be in the nature of an investment rather than merely a handout to carry on under existing conditions. I do believe that the money invested in the fisheries, in the forests and in the development of our natural resources could pay rich dividends to Canada as a whole. I should like to try to establish this principle.

With the minister's permission, I should like to mention a phrase he used in connection with the Atlantic provinces being a captive market. He hastened to add, if I remember correctly that their position on the eastern seaboard also gave them some advantages in trading. I might mention my own province, and perhaps confine my remarks to my own riding with which I happen to be most familiar. It is true that people of the Atlantic provinces provide a captive market but at the same time the products of our forests, pulp, paper and wood are exported in great quantities; our minerals are exported in large quantities, as are frozen and salted fish. These products represent many millions of dollars and practically all that money comes back to Canada. These products are not consumed in Canada, they are consumed in other countries. The money received for them is funnelled through Newfoundland—I think this applies to all the Atlantic provinces—and is largely spent in central Canada in the manufacturing areas. I make no complaint about this because this is the pattern of trade. We all benefit from trading but by and large, speaking of my own riding the millions of dollars received for the products exported are returned to Canada through Newfoundland.

The point I wish to make is that, that being so, when we ask for assistance to develop our particular part of Canada we are really asking for some of our own back. We would like to get it back in a way which would enable us to earn more to improve and to increase our industrial capacity, so that not only will we benefit but Canada as a whole will benefit from this investment in the Atlantic provinces, the oldest and still one of the greatest parts of Canada.

Mr. MacRae: Mr. Chairman, I welcome the opportunity to enter this debate on a measure which is vitally important to all of those who come from those provinces by the sea and to add to the contribution which has been made by so many hon. members from the Atlantic provinces. I feel it is especially fitting that this resolution to establish an Atlantic development board should be in the name of the Minister of National Revenue, New Brunswick's representative in the government of Canada. As we all know, for eight years during which our province of New Brunswick forged steadily ahead, the minister was the premier of New Brunswick. He is now an able and persistent advocate for the maritimes in the government of Canada.

There is no question, Mr. Chairman, that for the past century maritime development has lagged behind the rest of Canada. Perhaps it is unfortunate we did not unite before confederation into one province and we would then have entered as one unit speaking with one strong voice, instead of the four which have so many times seemed to be speaking at cross purposes. Since we cannot change history, we must make the best of it. I believe that there have been certain beneficial effects of confederation and these can be seen when we look at the condition of our three maritime provinces of Prince Edward Island, New Brunswick and Nova Scotia as compared with the position of Newfoundland before 1949.

It seems to me that one of our troubles in the maritimes is that for so long we have stressed maritime weaknesses instead of stressing maritime possibilities. Certainly, we have weaknesses. We have had over the years the problem of the three terrible T's, as we call them, transportation, tariffs and taxes. But we have always had, and we will have, the lumber, fish and minerals and more important, we have the people, the greatest resource of all. In order to evaluate the ability of maritimers we need only look at the leaders in the professions, in industry, in banking and commerce, both in Canada and abroad. In every one of these, maritimers occupy prominent and often front rank positions. What we seem to lack is the necessary enterprise, the spirit of co-operation, the willingness to experiment. Not only have we lacked co-operation between the different provinces but even between different groups in the same province. And, of course, for far too many

years there was little or no co-operation between the provincial and federal governments. This situation has been greatly improved in the last five years.

This resolution calls for the establishment of an Atlantic development board. This is something we promised in the last election campaign. Personally, Mr. Chairman, I am very proud, as I am sure other Conservatives are, to be a member of this house on this occasion as we see this first step being taken to fulfil that promise. In that connection, the composition of the board will be a very pertinent factor, one of the most important factors of all. I would urge upon the government the necessity for searching out the very best men that are available for appointment to this board.

I suggest to the government, and I suggest this as a Conservative member, that we should not just appoint men for political reasons, but let us have skilled men, engineers, economists and industrialists, men like Mr. Michael Wardell and men like Professor William Smith, former president of APEC and now head of the department of economics in the University of New Brunswick.

One might ask what there is to develop. Well there are a great many things and we have heard about them many times in this house. I suppose some hon. members would like us to stop talking about them, but there are so many things we want developed in the maritime provinces, projects such as the causeway, the Corridor road, the Chignecto canal both for transportation as a power complex and the Passamaquoddy power project. We also want further development on the Saint John river for hydro purposes and further development of industries at all levels.

In the past five years we have seen the erection of many public buildings in many of our constituencies in the east, including my own. I would like to agree with the remarks made yesterday by the hon. member for Burin-Burgeo when he discussed the principle of small industries in our Atlantic provinces. I would much rather see constructed one manufacturing plant in my constituency that would hire 500 men all the year round than all the public buildings that have been built in York-Sunbury since confederation.

One example of this possibility is the railway town of McAdam, which has been vitally affected by dieselization. It is on the Canadian Pacific main line and perhaps too many members do not know McAdam, as most passengers pass through there at six o'clock in the morning travelling east on the Canadian Pacific. For many years it had a very vital transportation industry, but because of dieselization the town has gone down. It is a town which has ample electric power and a good water supply, and it also has an excellent labour force. Today it has the necessary buildings available for new industry. What better site could we find for a new industry?

I suggest that the board, when it is established, should do its best to seek out small industries and bring them into towns such as McAdam. I would much rather see a portion of the hundreds of millions of dollars now being spent on unemployment insurance and welfare services being put into the creation of new industries and re-vitalizing of existing ones.

It is true that some measure of social assistance is necessary. There are always people who, through no fault of their own, need our help, but I am concerned with the fact that in this welfare state, into which we have drifted during the last 30 or 35 years, wherein everyone takes in everyone else's washing, that there are far too many people today who would rather collect unemployment insurance than do their share of the washing. Living off social welfare has become a way of life for some Canadians, even unto the second and third generations.

It is too bad that so many politicians do not have the moral courage to face this problem and take the necessary action. I know that in my constituency, as in all the Atlantic provinces, there are many fine citizens who would much rather work than draw unemployment insurance.

For the past ten years businessmen, economists and professional men in the maritimes have been attempting to lift themselves up by the bootstraps through the Atlantic provinces economic council, which is an independent, non-political organization formed some eight years ago with the aim of accelerating the economic development of the Atlantic provinces. APEC has often been mentioned in this house and I feel it has done a magnificent job. We all wish it well in the future.

Two years ago the premiers of the four Atlantic provinces concerned about the problem with which this bill deals today, brought Professor A. K. Cairncross from Great Britain to conduct a thorough survey of the Atlantic economy. I might add that today he is economic advisor to the government of Great Britain. He was invited over by premiers Stanfield, Flemming, Shaw and Premier Smallwood of Newfoundland. In his investigation he brought forward a number of conclusions which I would like to put on the record. He said in effect that (1) in various respects the Atlantic provinces are lagging behind the rest of Canada. The most important form taken by this lag is the absence of

opportunities of employment particularly employment that is regular, full-time, and in well paid occupations. He said (2) the main cause of this lag lies in the rapid decline in employment in the resource-based industries of the region; then (3) this decline, which seems unlikely to be reversed, will give rise to a growing surplus of labour in view of the high natural increase of population in the region, unless migration takes place on a larger scale or new industries are established.

We do not want our people to go away; we want industries established where our people are. Professor Cairncross also said it would be desirable to review the implications of doubling manufacturing employment, that is, employment in non-primary industries, over the next 20 years, in order to establish what contribution this might make to total employment in the area and whether expansion on this scale would be practicable, viewed in relation to the simultaneous growth of new industry in Canada, and what incentives could usefully be offered in order to attract industry to the area.

Point No. 5 was that a review in similar terms might be undertaken for the island of Newfoundland, including Labrador. I am sure the hon. member for Grand Falls-White Bay-Labrador would agree to the inclusion of Labrador in this connection.

Professor Cairncross further said that although there are a number of handicaps, arising chiefly from distance from markets, facing manufacturers in the Atlantic provinces, these handicaps would not be fatal to a number of industries in which transport costs are relatively low provided (a) these industries were assured of some initial help towards the cost of establishing new productive units and (b) that they could count on some further assistance for a longer period.

He also said that the most powerful immediate attractions to businesses contemplating production in the Atlantic provinces are likely to be modern factories ready for occupation, offered at less than an economic rent for a limited period of years; and a grant towards the cost of training labour, bringing in skilled workers, moving plant and machinery, and other settling-in expenses.

Then he says there are also many non-economic factors of almost equal importance in the framing of an initial decision by management—the amenities of the area, its educational facilities, the reputation of its workers, and the sense of purposefulness and aliveness that it is able to communicate. New businesses, especially those coming from elsewhere, will also want to satisfy themselves that their long term prospects in an Atlantic location compare favourably with their prospects elsewhere. They would be likely to have some advantage in labour costs but this would usually appear insufficient to offset the disadvantage of comparative remoteness from markets.

Therefore they would be likely to require further inducements outlasting the settling-in period, and these could include any of the following: (a) a subsidy to freight costs, especially outward freights; (b) various forms of tax incentive; (c) capital grants or guarantees and (d) a government undertaking to provide a market for part or all of the output of the business.

I may add that the last two are highly effective but are not always practical, and sometimes politics enter into them. The first introduces no new point of principle. It is a logical way of reducing the inconvenience of distance and was fully investigated by the MacPherson commission on transportation.

Point No. 12 is that tax incentives have been used by a number of countries with varying success. In some they have attracted industries from other countries, while in others where the main object was to attract businesses to one region from the rest of a country, their usefulness appears to have been limited. If tax incentives are used in Canada it would be best for the provincial governments to conclude a tax treaty with each applicant satisfying the statutory conditions, and then make reimbursement annually of whatever taxes were agreed upon in the treaty.

The fourteenth point is that it would also be desirable that the federal government should regulate the use of such incentives, if adopted, reimbursing provincial governments for their outlays, provided they complied with the common regulations governing tax concessions. Then he says that whatever is done to attract new industry to the region would be slow in taking effect and should not be postponed or abandoned because of any temporary slowing down of development elsewhere in Canada. I repeat that it should not be postponed or abandoned because of any temporary slowing down of development elsewhere in Canada.

He adds that nothing that is done to promote industrial development in the Atlantic provinces should override the prior need to increase the efficiency and expand the markets of the primary industries of the region. I said this before, Mr. Chairman, that there must be no second-class citizens in Canada, and there must be no second-class areas in Canada. Those of us who come from the Atlantic provinces will never be content to accept such things.

Before I sit down I would like personally to congratulate the hon. members from the

Atlantic provinces who are supporting this measure today and I would ask them to continue to give the minister their full and unqualified support. Finally, in closing, I have mentioned that we should find the very best men we can for this Atlantic development board. That idea is exemplified in the following words in the foreword to "Creative Canadian Capital" published by Canadian Enterprise Development Corporation Limited.

I would like to close with these words:

> Seek out creative men with the vision of things to be done. Help breathe life into new ideas and processes and products with money—and with more than money—with sensitive appreciation for creative drive; with support in management and manpower, with loyalty to the idea and to its initiator, the creative man.

Mr. Rideout: Mr. Chairman, I will not take up too much time but I just want to say a few words on this bill because it affects the Atlantic provinces. First of all I should like to say that the minister who introduced this bill is certainly one of our most outstanding citizens in New Brunswick and has made a great contribution to that province. Nevertheless I do not think he is the proper man to introduce this bill and I regret that the Minister of Finance has not seen fit to take a more active part in this matter, because our problem is not revenue, it is the lack of revenue. We need financial assistance in the Atlantic provinces. We first realized that the government was in financial difficulties when it appointed a Minister of Finance from the Atlantic provinces. We have a very high regard for him. He is the fourth minister of finance since confederation, I believe, to come from the Atlantic provinces.

An hon. Member: The fourth since the turn of the century.

Mr. Rideout: Yes, the fourth since the turn of the century. When we think about the sincerity of the bill and just how far it is going to go to correct the situation we remember that it has been suggested by the minister that we should not look back. But it becomes necessary for us to look back. The government may have tried, but they have not shown good faith with us in the maritimes. I refer most particularly to what has happened in the last few years with regard to railway transportation, for instance, in which I am highly interested. In the Canadian National Railways shops at Moncton over 300 men have been laid off during the past five years. The passenger shop in Moncton has been transferred to Winnipeg. The men employed in the Moncton shop were told to go to Winnipeg or be without a job. That is the type of assistance we have been getting for the Atlantic provinces, and it has created unemployment in a great many ways. I think the hon. member for York-Sunbury was very realistic in his views, but yesterday when we listened to the hon. member for Queens-Lunenburg we must have all felt that when we die we do not want to go to heaven but to the maritime provinces because he really painted a wonderful picture. However, I might say that I have a very high regard for his country because my wife happens to come from there.

Mr. Chairman, I want to deal with the question of tax rental agreements for a moment; that is, what we receive in the province of New Brunswick and what it has amounted to in the past. I am talking about the good faith which the government assume they have shown. The amount we received was reduced because, I assume, our showing has not been very good in past elections. The result was that we suffered. I know that in my own city of Moncton we were cut back to the amount of $62,000, which amounted to eight cents on our municipal tax rates. This is the sort of concession we have been getting from the provincial government in view of the decisions of the federal government. The bill is probably a step in the right direction, but it does not contain those things in which we are interested in the maritimes.

I was quite amused not too long ago when going through Port Elgin to see a sign on a government wharf saying, "People using this wharf do so at their own risk". I think it was Lincoln who said 100 years ago that you cannot be for and against the same thing at the same time. Yet the government now tells us that we are going to be in a semi-utopia with this new board. We are told there are going to be all kinds of public works, and at the same time they have cut their program in the Atlantic provinces by many millions of dollars, due to the austerity program. Wharves, all kinds of public buildings and all kinds of employment have been affected because of the austerity program. That is another reason, Mr. Chairman, why I wish the Minister of Finance had taken a part in this debate.

The Atlantic provinces are certainly in need of a gigantic public works program. I have discussed this question with the Minister of Transport with the idea of getting our runways in Moncton lengthened so that we can take on the larger aircraft. I might say that in terms of arrivals and departures we are the eighth largest airport in Canada. However, this has not been done; the program has been cut. All these various avenues which the government could have pursued in order to bring about more employment and better conditions have been ignored. Therefore I say that the government has not

shown good faith in this regard. If they had, we might have more faith in a bill of this type.

I feel that $3,000 for the chairman of a board is not going to draw the type of man that my hon. friend from York-Sunbury suggested. Although the maritimer is a dedicated person generally, I cannot see too many of them working on a part time basis for $3,000 a year, however much I would like to see this type of man on the board. But this will not happen, unless perhaps Lord Beaverbrook or another of our outstanding people would like to take on the job.

As I say, the Minister of Finance should have been in on this. The board has no money; there is nothing set up. They have no expenditures. The thing that concerns me very much and about which I hope the minister will say a few words for the record is this. Various delegations have come to Ottawa, as he well knows, and have tried to meet with some of the ministers and others in order to get a few things for the maritime provinces. I am somewhat disturbed that this board will be used as a sort of sifting out affair in so far as this type of approach to Ottawa is concerned. Last week the mayor of Windsor and some other municipal people from as far east as Sydney, came here to deal with these situations. I might say at this point that we did meet with two or three members of the cabinet and were told the brief had been submitted in September but they had not yet read it.

Mr. Martin (Essex East): Would the hon. member permit me to ask this question? Is that the meeting at which the hon. member for Essex West, the hon. member for Essex South and I were present?

Mr. Rideout: That is right, and I appreciate the hon. member's assistance. We were told at that time that the ministers involved had not read the brief. The Minister of Finance was supposed to chair the meeting but he did not show up, as he has not shown up today or yesterday to take part in this debate. We have found that our problem in the maritimes is perhaps one whereby we should get a little closer to these people in upper Canada, to work more closely with them as we did last week with the mayor of Windsor. If we come as a group and approach the cabinet, I hope we shall not be referred to this board. That is what I am concerned about, and I hope the minister will say a word with regard to this point. It so often happens that one has to see the other committee. If this should be the case, then the board, which of course, has the power to make recommendations will be used as a means of blocking progress.

[Mr. Rideout.]

Again I point out that the government has cut its own public works program. The other day I called to the attention of the house the situation at Scoudouc where men had been laid off in the R.C.A.F. If the government really meant well it would not be cutting down on its own estimates and those of its agencies in the Atlantic provinces. I think the same thing applies to the railway where there have been tremendous cuts. This, too, is an agency of government. I suggest that the government, in setting up this board, should review the situation to which I have drawn attention, bearing in mind such cases as the No. 5 equipment depot in Moncton where the fire department has been abolished. These people came to the city and were looking for employment, and some were hired.

Again let me say I am sorry the Minister of Fisheries could not find time to take part in this debate. I say this because the fishing industry is one of our most important industries. I must say I am critical of those two ministers I have mentioned because this is a matter of such importance to us that they should have been here to take part in the debate. I say this of the Minister of Finance because, certainly, what we need in the Atlantic provinces is money.

I do not intend to prolong this. I want it understood that I shall be pleased to go along with the bill though, frankly, I cannot see too much in it. I hope the minister when he replies will endeavour to explain more precisely to us what this is going to mean —how we are going to be rewarded if we go along with this proposal. Then, again, I am concerned as to whether there is likely to be a conflict between the board whose formation we are now considering and the national board, although I must admit I am not familiar with just what powers the national board is to have. In any case it would appear that one must be subservient to the other.

In closing, if this board is to be the answer to the ills of the maritimes I urge those ministers concerned to take a closer look at the public works program which was cancelled in the Atlantic provinces within the last three or four months, and to examine the cuts made by the various government agencies in the provinces, such as the C.N.R. It is common knowledge that their operating budget was cut by over $3 million in the Atlantic provinces for the coming year. I repeat, you cannot be both for and against the same thing at the same time.

Mr. Pickersgill: I do not intend to make a speech, because I made one the other day,

but there was one thing which troubled me very much about what the Minister of National Revenue said on December 4 on the resolution stage. I had expected this matter would have been raised by one of the members from Prince Edward Island, but it has not been dealt with and that is why I rise to say a few words on it. The minister was talking about the subjects this board might take up. He said that among these were—

—the Chignecto complex of canal, tidal power and industrial development; the causeway to link New Brunswick with Prince Edward Island, which has been accepted in principle and is in the planning stage.

I had understood from the announcement when it was made, and I think everyone in the old parliament understood it, together I am sure, with everyone in the Atlantic provinces, that this project was not one of those which was still being considered. I refer to the Prince Edward Island causeway. Construction of that causeway was accepted as something which was going to be done. I think the minister should try to reconcile his statements to the effect that this is still in the stage of study, still in the stage of conjecture—

Mr. Flemming (Victoria-Carleton): Would the hon. gentleman mind reading again what I said?

Mr. Pickersgill: Yes.

There are many policies, measures and projects which have been suggested as deserving urgent consideration by the board. A number of public works projects need immediate research.

Remember that this is just an advisory board. This is not a board to execute anything and therefore it would seem odd that any project would be placed before it about which a decision to act had already been made, or which was supposed to be in the early stages of implementation. Indeed, the Prime Minister in Charlottetown on May 17 told an audience, which the right hon. gentleman claimed consisted of 4,000 people the first time he referred to it—I think he got it up to 6,000 or 7,000 people as he moved across the country, I know this has no relation to this bill but I also know, Mr. Chairman, you must be very proud of that huge gathering the Prime Minister addressed at that time—here is what the Prime Minister told that audience, however large it was:

Since investigations have shown that a causeway is feasible both from an economic and an engineering standpoint, we are proceeding with it.

The Prime Minister went on to say even more than that. He said the project would employ 1,100 men for six years and provide $30 million in wages. It would be eight miles in length. It would include one and a quarter miles of locks and bridges. The fill would cost $49 million; locks and bridges $36,500,000 and engineering work $20 million. He even went on to predict that it would be completed in time for the celebration of our centenary in 1967.

Mr. Flemming (Victoria-Carleton): May I interrupt the hon. member? The part I want him to repeat is what he read about what I said a couple of days ago.

Mr. Pickersgill: I shall be glad to do that. The last thing I want to do is to be unfair to the minister or to anyone else. I am merely trying to clear up a serious doubt which has arisen not merely in my mind but in the minds of other people—

Mr. Flemming (Victoria-Carleton): I think we know what is in your mind, but go ahead and read what I said.

Mr. Pickersgill: I do not pretend to make such large claims as the minister has just made. The minister, we know, is a much more complex personality than I am, myself. If he knows what is in my mind perhaps he would consider standing up and making my speech for me.

Mr. Flemming (Victoria-Carleton): I said "I think I know".

Mr. Pickersgill: Now the minister is being his usual modest self again, and we like him better in those circumstances. The minister said—I think I had better read the two sentences together:

There are many policies, measures and projects which have been suggested as deserving urgent consideration by the board. A number of public works projects need immediate research.

I emphasize that last word, "research".

Among these are the Chignecto complex of canal, tidal power and industrial development; the causeway to link New Brunswick with Prince Edward Island, which has been accepted in principle and is in the planning stage.

"And needs research". I added that from the previous sentence. In other words, this project was placed not No. 1 but No. 2 among the things this board would be doing research into. Yet the Prime Minister told us in April—

Mr. Flemming (Victoria-Carleton): Research and planning.

Mr. Pickersgill: Surely the planning is not going to be done by this Atlantic development board. Did not the government tell us not long ago that they had spent $800 on it.

An hon. Member: Or $8,000.

Mr. Pickersgill: Or $8,000. At any rate it was a long way from the $30 million in wages that were going to be paid. We and the public

were led to believe last April that this Prince Edward Island causeway was being started. I do not wish to misrepresent the government. They did not say that the actual construction was being started but they said this, to quote again the Prime Minister's words in Charlottetown on May 17:

—since investigations have shown—

In other words, research was over then and now it is going to start.

—that a causeway is feasible both from an economic and an engineering standpoint, we are proceeding with it.

Surely this Atlantic development board is not going to build the causeway. The investigations were over last May when the Prime Minister addressed that cheering crowd. Hence I am puzzled, as are a great many other people. I did not wish to be called to order. I will now disclose the source of the quotation from the Prime Minister's speech. I owe it to the Charlottetown *Guardian* and to their editorial which appeared in yesterday's paper and which expressed disquietude about this very matter, and I think rightly so. However, the minister said this board when it is set up—and it has not even been set up yet—is going to start research into or carry on research. I should not say "start". The minister did not say "start". He says it is going to carry on research into the Prince Edward Island causeway.

Mr. Flemming (Victoria-Carleton): No, that is wrong. I am sure my hon. friend does not wish to misquote me.

Mr. Pickersgill: No, I do not wish to misquote the minister.

Mr. Flemming (Victoria-Carleton): Research into the planning to see how it is doing.

Mr. Pickersgill: Then what the minister means is this. I do not blame the minister. Nobody will ever forget the way in which the minister was humiliated by the way in which that colleague of his, who is no longer here—I refer to the honourable ex-member for Rosedale, Mr. David Walker—who went down to New Brunswick, without ever telling the minister anything about it and announced that the government had rejected the Chignecto project. We remember the minister arrived in Saint John, to find that his colleague had cut the ground completely from under his feet. I therefore do not wonder that the Minister of National Revenue, having no confidence in that department from which ministers seem to go more often than they come, wishes to set up a board to find out whether the Department of Public Works is really doing anything about this causeway which the Prime Minister said was being proceeded with last May.

[Mr. Pickersgill.]

The minister talked the other day about the maze of governmental agencies. You cannot blame the poor people in Prince Edward Island, even the very intelligent people who write the editorials for the Tory newspaper there, you cannot blame them for being confused. If the minister thinks this parliament has to set up a board to find out how the Department of Public Works is getting on with planning this causeway which was stated by the Prime Minister last April, which was going to be employing all these men—

Mr. Flemming (Victoria-Carleton): The hon. member is not making a very good case. It is a very poor case. It is not as good a one as usual.

Mr. Pickersgill: The minister seems to be more disturbed by it than usual.

Mr. Flemming (Victoria-Carleton): The hon. member is labouring at it.

Mr. Pickersgill: The plain fact is, of course, that we have already had revealed clearly to us in the house, in response to questions, that there has been a slow-down, if there was ever anything to slow down in the first place. Judging from the amount of money that is being spent, there is nothing really serious being done about the causeway at all, and there has not been anything done about the causeway with the exception of the words uttered by the Prime Minister and supporters of the Prime Minister on this subject in the election campaign. One cannot help but suspect that the causeway is another of the victims of the Glassco-McCutcheon axe which is cutting a great deal deeper, as far as one can discover, in the Atlantic provinces, if one can judge from the way in which public works have been cut, than in any other part of Canada.

Mr. Flemming (Victoria-Carleton): The hon. member will eat those words within two years.

Mr. Pickersgill: Within two years I suggest that the hon. gentleman will be over here if he is lucky enough to get back into the house at all; and probably within two years, with a real government in power, something will have been done about the matter.

Mr. McGrath: Does the hon. member think he is going to influence any votes in Prince Edward Island on Monday by the very weak case he is putting up here and taking up the time of the house in doing so.

Mr. Pickersgill: I do not think that anything I may be saying here would influence nearly as many votes as would be influenced if the honourable and eloquent member for St. John's East would only go to Prince

Edward Island in order to show them who represents Newfoundland in the present government of Canada, on the periphery of the government—an hon. member who is not considered good enough to go into the cabinet, but who is only there apparently for the purpose of interrupting others when they are attempting to speak constructively about the failure of the government to carry out its own programs.

Mr. McGrath: What about the hon. member when he was there last spring?

Mr. Pickersgill: The hon. member for St. John's East can speak when I have concluded my speech. No doubt he will make one of those devastating and irrelevant speeches which entertain the house from time to time. However, I wish to get back to the bill, Mr. Chairman, and not to interject notes about who is going to vote where on what day. I never mentioned that subject at all—

Some hon. Members: Oh, oh.

Mr. Pickersgill: —except the influencing of votes last May and June by the Prime Minister, stating that this project was under way, this project that is now going to be the subject of research by a board not yet set up, with the chairman paid the princely salary of $3,000. That is what apparently is going to happen.

I say again, Mr. Chairman, that I do not blame the Minister of National Revenue if he cannot do it in any other way. However, perhaps the Minister of National Revenue could find a more direct route than to set up a board to investigate the Department of Public Works and to find out whether it is carrying on this great public work which the government said was started seven or eight months ago. I suggest that the portfolio of public works is going to be vacant very shortly. The minister has only two, and I suggest that he ask the Prime Minister to make him minister of public works and to let him go at the matter directly and build this causeway that was already being built, according to the Prime Minister, but which is only going to be investigated by a board not yet set up, a board that is being sponsored by the minister. As for myself, I think this matter needs a great deal of explaining. It throws a rather dubious light on this whole proposal. It rather confirms the suspicion that I entertain and expressed on Wednesday, namely that perhaps the main purpose of this board is to be a graveyard.

Mr. Flemming (Victoria-Carleton): That is what the hon. member hopes, maybe.

Mr. Pickersgill: I know the minister did not really mean that. The minister says that is what I hope. That is not what I hope, and I do not think the minister really believes that is what I hope. The minister believes that I hope this board will be as effective as it is allowed to be in producing things for the government to do, not in studying things which the government has either decided already not to do or has already said it is doing. There is no reason whatever why the Prince Edward Island causeway should engage one minute of the attention of this board. That project was announced as one that was going ahead. It was being done by a department of the government. The time of this board should not be wasted on it at all. If the Department of Public Works is not fit to do it, let us get some new people in the Department of Public Works and get on with the job. We wish this board to produce some new things, not to thresh over the researches of others into projects which are supposedly being built now. It is because this seemed to me to be such a really damning indictment of the proposal, that it seemed to me there was something here the minister ought to clear up and do so right away.

(Translation):

Mr. Lachance: Mr. Chairman, I regret not to say, as several others have said, that I do not have a long speech to deliver before the adoption of this measure. However, in spite of the urgency such a measure may present for the economy of the country, I must, before the adoption of the first section of the bill, express my astonishment that we should always be in the habit of translating the English word "board" by the French word "office". Without being an expert linguist, I wonder whether it would not be a good thing to point out that this word "office" is not the proper term for the French translation of the title of this bill. In fact, if we consider that the word "office" means much more a function or a group of functions than a body—although I know there are several expert linguists in the Department of National Revenue, as well as in the other divisions of the government—I submit it would perhaps be a good thing to substitute for the word "office" the word "conseil".

Now, if we refer to various dictionaries, and among the most important, we note that this word means much more a series of functions than a body. Now, I would not dare believe that the government would like this body to play the role described by the word "office" in Quillet, a well-known dictionary which gives the following definition of the word "office", used in an administrative sense:

The setting up of "offices" is to let certain industrial and commercial establishments escape from the rules of public accounting and to bring them as close as possible to private management procedures.

I do not think it is the aim of the government to have this body escape from the control of the government.

That is my suggestion, and after having consulted its expert linguists, the government may, if it is advisable, propose the appropriate amendment. If it does, I will have contributed a little to a better interpretation of this legislation and especially to its being more adequately titled.

(Text):

Mr. Fairweather: Mr. Chairman, the hon. member for Bonavista-Twillingate has sponsored my former leader and present colleague for the ministry of public works. May I say to him that I would be only too glad to second the nomination because I think that anyone who lived and worked in New Brunswick between the years 1952 and 1960 will quite understand the qualifications of the Minister of National Revenue for the ministry of public works, and New Brunswick and Canada, in fact, would be well served if it were to occur. This is about as relevant, as the electioneering tactic involving the Prince Edward Island causeway, which has been introduced into this debate by the hon. member for Bonavista-Twillingate. Obviously a bold, imaginative and extremely expensive project of this sort needs engineering studies. I do not think these engineering studies are inconsistent with economic studies. Obviously when a project like this will link the island with the mainland of Canada there will be features which will have to be studied by the Atlantic development board. New industries will be started in Prince Edward Island and, in fact, there will be an entirely new economic outlook, and I would certainly hope that aspect would be considered by the board when it is set up.

I have listened to the debate in the past few days and I had hoped that it would progress a little more speedily than it has but it does not appear that that is going to be the case. I had also hoped that more members from other parts of the country would participate in the debate. The leader of the New Democratic party and a member from one of the Toronto ridings did participate, and in my opinion this is useful.

The proposal now before us is another phase of a long term attack on the material problems facing the Atlantic provinces, but the attack must be as well an attack on people's attitudes. I think most of those who represent constituencies in eastern Canada understand what I mean. In my view people's attitudes and people's approaches have to be discussed here. I noted a phrase in a book I read recently by Joseph Kraft entitled "The Grand Design". In it he was talking about the problems facing the underdeveloped countries of the world. He said that what these countries lack seemed to him to be somewhat of a litany of the damned. Sometimes the people of the Atlantic provinces tend to talk of their disabilities in somewhat the same manner. I hope there is not a litany of the damned in the Atlantic provinces and I am optimistic enough to think that this board, in co-operation with the national economic development board, the productivity council, governments, APEC and people of good will, can help to solve our economic problems.

I was very interested in the speech of the hon. member for Antigonish-Guysborough when he recalled again—I think it cannot be recalled too often—the three main problems facing those of us who live in the Atlantic provinces. I think it is well for members of all parties to recall the problems of transportation, the problems of lack of capital development and so on.

I do not see any magic formulae in this board. We live in an age when people expect members of parliament and governments to wave wands and bring about revolutionary solutions to problems. There is no panacea within the words of this legislation that can bring an end to all the problems facing us. Our economic problems will not suddenly disappear because this board is set up. The hon. member for Gloucester referred to the plans of the former Liberal government with respect to a power grid. I think they were reasonable plans but not as good as the plans of the present government, because the grid was to be operated by a federal government power company, the Northern Power Company, as I remember, whereas we have a very capable electric power commission in New Brunswick which is doing a much more intimate job, shall we say, on the site rather than the direction coming from Ottawa. The power grid is working out and I think it is a forerunner of the national power grid referred to in the speech from the throne. I hope that any power grid will take into account the need for the use of coal for thermal power production. In my view this is the helpful thing about the grid. The hon. member for Bonavista-Twillingate mentioned Hamilton falls. I agree that it must be developed, but I think it must be developed in tune with the coal aspect of power production.

I feel, too, that the recommendations of the royal commission on transportation will

be helpful to the transportation problem facing the maritimes when they are implemented in statute form. I prefer government policies which will bring a return in human living conditions for the money spent. I think there is too much of this business of handing out large cheques or saying a solution of a problem can be arrived at by merely paying another grant or another subsidy. Subsidies and grants are part of the formula for a solution of our problem. I think some of the solutions have been based too much on the money aspect.

I am optimistic enough to believe that this board will be unorthodox in its acceptance of new proposals which will improve all the resources of this part of Canada, and that Canada will not just be enriched by the migration of people from the Atlantic provinces. I hope that the area itself will be built up to assist the people in that area. I had, too, a thought about the very name of this bill. We have had a sort of evolution of feeling in the Atlantic provinces. I am not going to say who started it or when it started. These jousting matches are so unrealistic that they are not listened to by the people of Canada. I do suggest this, that the founding of the Atlantic provinces economic council in 1952 was a highwater mark. I think the meeting of the premiers—I do not care who the premiers were, although I am proud that the sponsor of this bill was one of the important keystones of that meeting—was an important step. The very fact that APEC started and that the Atlantic premiers got together resulted in the fact that today we have a bill presented to this house containing the words "Atlantic provinces board". It is not the Prince Edward Island, Newfoundland, New Brunswick or Nova Scotia board. I suggest this denotes a change in thinking. It shows that the maritimes and Newfoundland are growing up and, I believe it shows we have come a long way.

Now, a great deal has been made about the capital projects aspect. Perhaps I am naïve about these things, but surely the board will study these capital projects and make recommendations to parliament. Then, parliament will vote the money. At least, I presume that is the way the board will operate. In so far as the problem referred to by the hon. member for Antigonish-Guysborough is concerned, the meetings of the board, I think he will find if he consults his legal colleagues that this is the usual device to provide the widest possible scope for meetings. The only provision tying down the meetings is that one meeting a year will be held here in Ottawa. Otherwise, the board can meet twice a week or even daily in accordance with the provisions of that section.

I have only one other suggestion, Mr. Chairman. During the course of this debate someone mentioned the migration from the maritimes. I think this is true. I like to add to that the fact that because of this migration we in the Atlantic part of Canada have not had the benefit of a transfusion of immigrants. A good many people have left the Atlantic provinces for other parts of Canada and of the world, but we have not shared in that transfusion that has made, if I may be so bold as to say it, Toronto an interesting city and made other parts of Canada much more cosmopolitan than would otherwise have been the case. I feel optimistic about this board because I think this is part of the pattern of the recognition of the special problems of Atlantic Canada by the rest of the country. Obviously, the former government made contributions to this change in attitude. Obviously, too, the present government has set an example of assistance to Atlantic Canada which bodes well for the helpfulness of this board we are considering today.

Mr. Robichaud: It was not my intention, Mr. Chairman, to speak on this first clause. However, in view of the statement made by the hon. member for Royal that the Minister of National Revenue built New Brunswick when he was in office, I think the record should be kept straight. Statistics will show that when the premier left office in 1960 there were 729 fewer industries in New Brunswick than when he took office in 1952.

Mr. Flemming (Victoria-Carleton): May I ask the hon. gentleman what his authority is for that statement?

Mr. Robichaud: These figures have been quoted time and time again and have not been denied.

An hon. Member: By the Liberal thinkers in New Brunswick.

Mr. Robichaud: They have been taken from statistics produced by the province of New Brunswick. The minister stated in his speech on second reading that it was better if a bill of this kind were not tagged with so many dollars. I think this is an expression that will not be too well received in the Atlantic provinces. It was evident, when we saw the bill, that there were very few dollars tagged to this board. The salary of the chairman is limited to $3,000 per year. This shows the kind of consideration this government is giving the Atlantic provinces. In so far as the national development board is concerned, for instance, it is evident from the bill that the chairman will be a permanent employee and will receive a salary fixed by the governor in council. In so far as the Atlantic

provinces are concerned, the government is satisfied a part-time man who may give a week or two weeks of his time to the work called for by this board will be worth about $3,000.

Now, Mr. Chairman, I express the hope that this board will be more effective than a number of the boards and commissions that have been appointed by this government since it took office in 1957. We know from the figures that have been released these boards have cost us in the vicinity of $8 million. We know also that most of the recommendations made by these boards have been ignored by this government. I would refer to the Rand royal commission on coal. The report of that commission has been in the hands of the government for over two years and an interdepartmental committee was appointed to study the recommendations. As yet, nothing has been done in this field. I would refer to the MacPherson commission on transportation, and to the Borden commission on power, which was not even allowed to sit in the Atlantic provinces, and to the commission now studying banking and finance. I hope that when recommendations are made by this board the government will pay attention to them, and that the board will be more effective than what has been done by royal commissions so far.

I would also bring to the attention of the minister a short visit which was made to Ottawa last spring by the premiers of Nova Scotia and New Brunswick. They presented the Prime Minister with a brief, which had been prepared after considerable study by the power authorities and research boards of the two provinces, but even two or three months after that the ministers of the departments concerned did not know about it. The brief was shelved and put away, and I question whether this board would have more effect on the government than the recommendations made by Premier Stanfield of Nova Scotia and Premier Robichaud of New Brunswick.

As it appears now, the only recommendations that have been implemented in part are those made by the Gordon commission on economic development, which reported to the government in 1957,—and I say in part only, because the Gordon commission recommended that capital public works projects be instigated at once in order to stimulate the development of the economy of the Atlantic provinces. To date very little has been done in this field.

The last question I wish to raise has to do with the scope of the board. We have a national development board which, according to the Minister of Finance, will cover three million square miles of the country, and it must be recognized that the Atlantic provinces are a part of Canada. The Minister of Finance, when he introduced the legislation providing for the establishment of that board, said it would be national in scope and we may now have to face a situation in which recommendations made by the Atlantic development board to the government will be eclipsed by recommendations made by the national development board.

I think it is important that the minister should clearly outline the power of the Atlantic development board, because projects recommended by it may be found by the national development board not to be economically sound. That is an expression which is often used by this government when major projects are being considered for the Atlantic provinces, and we want to know how far the power of this board may extend.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I have been very much interested in the debate this afternoon, and I must confess a great deal more interested in it since we got on to the subject of the Atlantic development board. Many observations have been made which it would appear are deserving of comment and, in some instances, of a reply, and I shall be very pleased to give replies in every instance where I possibly can. However, Mr. Chairman, I would again like to mention the fact, as I did last night, that we are dealing with something which did not exist previously. We are breaking new ground so far as the Atlantic provinces are concerned. We have never before had the subject submitted to parliament in legislation providing for the creation of a board that would have special responsibility solely in the Atlantic provinces.

I have no objection to the question put forward by my hon. friend from Gloucester and I shall try to give it some attention in a few minutes because I think it is quite a material question to ask. But, before going into it, I find I am almost forced to pay a little attention to the hon. gentleman for Bonavista-Twillingate who spoke a few minutes ago.

I am one of those who enjoys the speeches of the hon. gentleman for Bonavista-Twillingate. He is a skilful debater; he is a fluent debater, and he is a resourceful debater. If there is the least bit of vulnerability in an opponent's argument he seems to have the faculty of putting his finger on it; but today he laboured and he sweated and he stuttered, and had the hardest time I ever saw him have in trying to make even the semblance of a case. There hardly was any case at all and as I listened to him as he referred to these things—and he did not go back into ancient history as

he usually does—I rather admired his convenient memory because he could forget all the things he wanted to forget. Finally he came along and picked upon the Prince Edward Island causeway and said this bill was really vulnerable on that subject.

He quoted my remarks made a few days ago in which I said that the project was already accepted in principle.

Mr. Pickersgill: More than in principle.

Mr. Flemming (Victoria-Carleton): Just a minute—was already accepted in principle and was in the planning stage. Then he professed to get terribly indignant and said it should be under construction.

Mr. Pickersgill: I did not say it was under construction; I did not say the government said it was under construction. I said the government said it had decided to go ahead with it and was getting on with the plans. That is what I said.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I still submit that he inferred that it should be under construction.

Mr. Pickersgill: No, no.

Mr. Flemming (Victoria-Carleton): Well I have the right, Mr. Chairman, to take any inference that I choose from his remarks. If he disagrees with my inference then it is a debatable subject.

Mr. Pickersgill: Quite, and I will debate it.

Mr. Flemming (Victoria-Carleton): I will take any inference I choose from his remarks. He professed to say something about the delay that was going to jeopardize this great project. Well, Mr. Chairman, a few days ago I attended a chamber of commerce dinner and in the course of conversation with various people prior to the dinner I met a gentleman who said to me, "I am a principal of one of the firms that is doing the survey, the engineering study of the Prince Edward Island causeway." I asked him how it was coming along and he said, "Pretty good. We have sort of definite plans." He also said "It is a tremendous project and it is obvious that it must receive a lot of study."

I think anyone who has ever gone across on the ferry from Cape Tormentine to Borden, a distance of nine miles, must certainly know that a lot of engineering study will have to go into it. It is a terrifically difficult engineering problem, but coming back to what this gentleman told me—

Mr. Stewart: If I understand the minister correctly he suggests that Northumberland Consultants Limited are going to make detailed research into the engineering feasibility of this project, and he enlarges on the difficulty of the project. Now I should like to ask him, if that is true, what did the $348,810 spent in 1958-59 achieve?

Mr. Flemming (Victoria-Carleton): Well, Mr. Chairman, I cannot answer that question because I have not got the information with me here.

Mr. Stewart: Is the implication that the earlier research was unsuccessful?

Mr. Flemming (Victoria-Carleton): I can tell the hon. gentleman this: It was $349,000 more than the old Liberal government ever spent on the causeway.

Mr. Stewart: Are you saying it achieved nothing?

Mr. Flemming (Victoria-Carleton): And if it should be $1, Mr. Chairman, that would be $1 more than the Liberal government ever spent on the Prince Edward Island causeway.

Mr. Stewart: But you are saying it was wasted.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I do not mind being asked questions but I submit that hon. gentlemen over there, who do not seem to be able to take it very well, are interrupting and trying to cause a debate. I have the floor at the moment and they may have it when the opportunity comes in the regular course of debate. But I do not worry about the remarks of the hon. member, unless he is a great deal better than he was yesterday, because I thought he made a very poor speech then.

Mr. Chairman, I am coming back to my conversation with one of the engineers of the project. He said to me, "We have studied and are studying similar projects in different parts of the world. We find that, while it is difficult, it can be done. We believe it is going to be a wonderful engineering feat". That is my answer to the hon. member for Bonavista-Twillingate who asked how it was going. The decision to build the causeway was made quite some time ago, almost a year past.

Mr. Pickersgill: It was announced in April.

Mr. Flemming (Victoria-Carleton): The hon. gentleman referred to the announcement as contained in the newspapers as being 100 per cent accurate. You may be sure, Mr. Chairman, and this house may be sure that any commitment made on behalf of this government by the Prime Minister in connection with the Prince Edward Island causeway or any other project will be carried out to the letter. They talk about research. If my hon. friend from Bonavista-Twillingate were

chairman of this board, one of the first things he would ask—I am satisfied in my own mind, because I have respect for his ability—would be, "How are we getting along with the Prince Edward Island causeway"? That is probably one of the first things this chairman will ask. If an inquiry into the plans which are being made constitutes research, undoubtedly that will be it. And why would it not be done? Why should it not be done? I am sure he would be the first to say that it should be done. Therefore, Mr. Chairman, to take care of that matter I quoted the conversation I had with the engineer and I have quoted the facts. It is probably completely out of order to concentrate on the Prince Edward Island causeway, but certainly there has been plenty of precedent for it this afternoon. However, I just wanted to clean up that particular matter here and now.

My hon. friend from Westmorland had a little something to say about municipal grants and complained a bit about the fact that his city was receiving a smaller amount since the inception of the new agreements than previously. That is what I understood him to say. May I remind him that I cannot answer his question because the matter of dealing with municipalities in any province is one which goes through provincial governments. I can tell him how much more money the province of New Brunswick is receiving in direct aid under this agreement than they were under the old agreement. It is something in the order of $4 million.

Mr. Rideout: Mr. Chairman, may I ask the minister a question?

Mr. Flemming (Victoria-Carleton): Yes.

Mr. Rideout: Would the minister tell us how much we are getting in comparison with other provinces?

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I do not propose to get into a debate on the question. I am just telling the hon. member how much more money New Brunswick is getting under this agreement than they were under the old one. If he, like some other hon. members seem to want, would like to get into a debate on this subject, that will be very welcome as far as I am concerned. But I say to him that they are receiving $4 million more in direct grants under the new agreement than they were under the old, and I submit also that he should be asking how much more his city is going to get from the provincial government due to the fact that they are receiving this much more money. He should be asking why it is—I am given to understand this—that since 1960 they have not recognized the existing formula of something like 17 per cent of this money from federal sources being distributed to the municipalities. Let him ask the provincial government the reason for that.

Mr. Pugh: There is a close alliance there.

Mr. Flemming (Victoria-Carleton): Yes, there should be. He should be getting more, being the mayor of the city.

Mr. Pickersgill: Is that the principle the hon. gentleman followed when he was premier?

Mr. Flemming (Victoria-Carleton): I would suggest that if he wants to know anything about the reputation the hon. gentleman enjoyed with the municipalities in New Brunswick, he should go down and ask the municipalities.

Mr. Pickersgill: I heard the mayor.

Mr. Flemming (Victoria-Carleton): He could ask the hon. member for Westmorland outside this chamber.

Some hon. Members: Oh, oh.

Mr. Pearson: He will ask you outside the chamber too.

Mr. Flemming (Victoria-Carleton): I want to congratulate my hon. friend from Westmorland on having put his finger on something which I think deserves correcting. I refer to the figure put in the bill for the salary of the chairman. I agree with him, and when we come to clause 5 I propose to move an amendment that will delete the sum of $3,000 and leave the matter of the chairman's salary to the discretion of the governor in council. I agree with him 100 per cent that it is a ridiculous figure and should be changed or eliminated. In this case it will be eliminated and left to the discretion of the governor in council. What you pay a man for services depends upon a variety of things. It depends upon ability, time spent, results achieved, and so on. To pay the chairman the rather small amount you would pay a stenographer—and many of them are paid a good deal more, which I think is very fitting and proper—even though he is part time, is somewhat ridiculous and is going to be changed.

Mr. Chairman, there is one other point with which I should like to deal before I resume my seat. One of our hon. friends in this debate, I think it was the hon. member for York-Sunbury, mentioned the fact that we in the Atlantic provinces for many years had small family businesses. It is a matter of a great deal of regret to me that they seem

to be disappearing. Whether that is due to the age in which we live I leave to hon. members to decide for themselves. I am afraid that is one of the contributing factors. We go to Nova Scotia and pick up Stanfield's underwear, and secure Moirs chocolates at Halifax, and then we go over to Sackville for Enterprise ranges, to Enamel Foundry for heating, and so on.

Mr. Pickersgill: Don't forget Black Harbour.

Mr. Flemming (Victoria-Carleton): Yes, and Black Harbour. There is a tremendous industry based on a family. I might say to my hon. friend that the gentlemen who operate that business are reasonably good friends of mine. I am pleased to be able to say that. They may be a little on the wrong side politically, but we are broadminded in that part of the country.

Mr. Robichaud: The sardines are good.

Mr. Flemming (Victoria-Carleton): Yes, the sardines are all right too. But I think the age-old family business—this may be something we all very much regret—is disappearing, as is the development of the family business based on the desire of someone to create something. I submit those family businesses were based upon the urge that someone had to do something, to make a product. As a consequence, they did not ask how many people were going to go by the door and they did not have any surveys made; they just had the urge to do something and they put that urge into operation. Undoubtedly it exists all over Canada to a great extent, and has existed. The fact that it seems to be disappearing is something we all regret.

Hon. members may say, "What has this to do with the Atlantic development board?" I think it has this to do with it. Here is a board which will be considered by all the citizens of the Atlantic provinces as being, in a sense, their board.

Now I am coming to the question asked by the hon. member for Gloucester. He asked whether there would not be a conflict between the national board and this board. I think the answer is in the negative. I have no reason to think it would not be in the negative. I think that the national board, if it had a reference or study to be made in the Atlantic provinces, would refer it to this board. I think it would not be difficult for them to decide, when any matters pertaining to the Atlantic provinces arose, to refer them to the Atlantic provinces board which would then undertake the duties of investigation and study, the consideration of markets and all those things which go to the determination of whether or not there should be established in the Atlantic provinces an industry based on certain assumptions of raw material and available markets. That is my own feeling about what they might do.

That would apply also to the development of the fisheries industry which was dealt with so ably in a well-thought out address by the hon. member from Grand Falls-White Bay-Labrador this afternoon who, incidentally, made a moving appeal for the re-establishment of fishermen who happen to be separated from their usual means of earning a living.

Power development in Labrador is a large subject. I have heard the premier of Newfoundland speak on that. He could come here and talk for a couple of hours on it and never miss a beat. The development of the St. John river, the joining together of Hamilton falls power in a national grid—all those things come into it. That is private enterprise. I do not think it is fair to interfere with private enterprise; I think the work of this board should be complementary to it. There are many businesses which are not able to take part in research to any great extent, possibly for financial reasons. But here is a board which they may consult; here is something they may think of as belonging to them and something with which they can get in touch fairly easily. When they come to Ottawa they will not run around as much as the hon. gentleman used to tell me to do—I admit he did not, but he could have done. They would know where to go to get attention and service.

The hon. member for Grand Falls-White Bay-Labrador also said that this should be a matter of investment rather than handouts. I could not agree more with that observation. The progress which has been made by the Atlantic provinces economic council is outstanding and I hope there will be a very close connection between that council and this board. I find myself unable to go further than that for reasons which, I know, everyone will understand. I hope there will be this close connection, because the council has a lot of research information and the main thing now is to go ahead and do the things that need to be done in order to make progress.

I said the other day that I felt the Atlantic economic development board had great possibilities. I repeat that. This is the most forward step which has been taken in my lifetime by the federal authority. This is a recognition of the special circumstances existing in the Atlantic provinces. I hope all of us will be prepared to pass the bill. If we were to find some weaknesses in it in the course of

its operation in the coming year, then we could come back and ask for amendments to strengthen it. At this time I feel it is in the nature of an experiment. We shall have to go ahead and get our experience. Having got our experience we would seek to improve. Then we would go back and we really would improve. I feel that at this stage we might proceed to go through the bill. I appeal to hon. members not to consider that this measure will be perfect from the outset. There are very few perfect people in the world and, probably, very few perfect bills. But let us go ahead with this one to see how it works and then we will try to improve it.

Mr. Pickersgill: I have two brief observations to make about the remarks we have just heard. I must say I find it a lot easier to debate with the hon. gentleman of the same name spelled with only one "m" than I do with the hon. gentleman from New Brunswick who seems, in doubling the letter, to have doubled the milk of human kindness.

However, I cannot let pass the observation the minister made about the causeway, in an attempt to get out of the awkward situation in which he found himself, without drawing attention to some figures which were put on the record in *Hansard* by the parliamentary secretary to the Minister of Public Works on October 31. These showed that in 1957-58 there was $10,338 spent on this project and as no new estimates by the present government were presented in that year, the minister is wrong in saying that nothing was done about the study of this matter by the previous government, though I admit it was only just begun. In 1958-59, $349,000 was spent; in 1959-60, $155,000; in 1960-61, $8,900, and in 1961-62 the amount spent was $9,820. But the real shocker was that between April 1, 1962 and September 30, 1962 the expenditure on studies and surveys was $828.75. That was after the project was started, and by "started" I do not mean, as the minister incorrectly said I did, that construction was started. The Prime Minister came into this house a few days before dissolution and said the government had decided to build this causeway. He did say, of course, and he said in Charlottetown, too, that it was still in the planning stage. But the decision had been made to build it, not to engage in research as to its advisability. However, I think that figure of $828 is more eloquent than any words I can use.

I think that when the minister was talking about family businesses he said something which would find an echo in many hearts in this house and, inadvertently, gave us the best reason yet for the establishment of this board. He said it was to be a protective measure against the national economic development board, which we understand, is to be under the direction of the Minister without Portfolio who is not exactly a fairy godmother of family businesses. He perhaps has done more than any man in this country to see that family businesses were gobbled up by the economic octopus. If the Atlantic board is to be a kind of shield and buckler against that type of concentration in the central provinces of which the Minister without Portfolio, the real head of the government today, is the epitome, I only hope the minister has a good strong arm to hold up that shield.

Mr. McCleave: In the few moments which remain before five o'clock perhaps I could refer to one of the observations just made by the hon. member for Bonavista-Twillingate. Surely he knows, from his experience in government, that bills have a habit of accumulating over a period of time. Then they are presented and paid. The figures he quoted this afternoon are quite irrelevant to what is going to take place. They are no true reflection by a long shot of what is going to take place in the development of the Prince Edward Island causeway this year, and next year and a good number of years to come. We are the people who are going to put that causeway through. I personally will be glad to drive the hon. member for Bonavista-Twillingate across there. I will still be in a position to do it at that point.

Mr. McGrath: If in fact he is in the house.

Mr. McCleave: Whether he is in the house or not.

Mr. Robichaud: Not for $105 million; never.

The Chairman: Shall the resolution carry?

An hon. Member: Five o'clock.

The Chairman: In order that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15, it is my duty to rise, report progress and ask leave to sit again later this day or at the next sitting of the house, as the case may be.

Progress reported.

Mr. Speaker: It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, the first item being public bills.

MERCHANT SEAMEN COMPENSATION ACT

AMENDMENTS RESPECTING PAYMENTS FOR ORPHANS OF SEAMEN

Mr. C. W. Carter (Burin-Burgeo) moved the second reading of Bill No. C-25, to amend the Merchant Seamen Compensation Act.

He said: Mr. Speaker, this bill is the same as the one which was introduced last session and which was debated on March 23 last. I do not intend to repeat the argument I made on that occasion as the debate of last session is recorded at page 2145 of *Hansard* and is available to all hon. members. However, I should like to take a few minutes in order to reply briefly to some of the arguments made by hon. members who took part in this debate and also to clear up what appears to be some misunderstanding about the bill.

When I introduced this bill last session I referred to it as a very simple one as, in fact, it really is. Some hon. members took issue with that statement. However, I should like to refer in particular to the observations made by the hon. member for Halifax (Mr. Morris) who at that time was parliamentary secretary to the Minister of Trade and Commerce. I single out this argument as it is typical of all the arguments that were made in that debate and it illustrates the misunderstanding on which those arguments were based. I am reading from page 2146 of *Hansard* of March 23, 1962, beginning at the second column. The then parliamentary secretary to the Minister of Trade and Commerce is speaking and this is what he said:

> Mr. Speaker, what would the amendment before us seek to do? The hon. member for Burin-Burgeo (Mr. Carter) would seek to amend section 30(2) of the present legislation in order to empower the merchant seamen compensation board to name as foster mother someone who would take care of a child or children of a deceased seaman in another home, not the existing household of the deceased seaman or of the deceased seaman's family. This amendment would have the effect of entitling the foster mother to the widow's pension of $75 a month as long as she was caring for the children up to the age of 18 years, or in the case of an invalid child, beyond that age. That would be the situation if the seaman died leaving no widow.

That quotation contains the main argument that was brought forward against adopting this legislation. It was contended that the purpose of the original bill was to keep the family together and that the amendment which I was introducing then, and am introducing again today, would break the family up or divide the family and therefore prevent the main object of the legislation from being implemented.

In this connection I wish to point out first and foremost that this bill does nothing of the kind. It does not compel the merchant seamen compensation board to do anything it is not compelled to do under the present legislation. All it does is to give the compensation board more discretion so that they can deal with various types of cases. We all realize that when a number of children are orphaned, it is desirable to keep the family together as much as possible. However, there are cases in which there is only one child. There are cases in which the family cannot be kept together. In those cases some other provision must be made for them. However, under the present legislation that provision cannot be made. If provisions are made which are in the best interests of the child, then the person or the foster parent is penalized as a result. That brings me to the second purpose of this bill which is really to enable the merchant seamen compensation board to make better provision for the welfare of the orphaned children or the orphaned child and to be able to do it without penalizing the person who undertakes this responsibility.

In the quotation I just read from *Hansard* there is just one point I wish to repeat:

> This amendment would have the effect of entitling the foster mother to the widow's pension of $75 a month as long as she was caring for the children up to the age of 18 years—

What the parliamentary secretary did not say—and this is the great omission in this case—is that for that mother or foster mother to get the full pension of $75 a month under the present act, that foster mother must move into the home which belongs to the deceased parent. In this connection, I wish to ask two questions. Who can expect to get a foster mother—or anybody else for that matter—to move into a home, undertake the care and the maintenance of the home, the care of the children, supply them with food and clothing and keep up a shelter for $75 a month? Certainly the day is gone when it is realistic to expect a person to be able to do that. I think that emphasizes the need for some change in this particular law. The real trouble is that the present law is not flexible enough to deal with the many different types of cases that must be dealt with. I know of some in my riding. That is why I am particularly interested in this bill.

During the election campaign last June I made a particular point of visiting one of these orphans. This was a single child and it was impossible to get anybody to move into the house which had belonged to the child's parents. As I said before, the remuneration of $75 a month is not enough to induce anybody to take that responsibility. So the only alternative was to move the child to somebody else's house. In this case that is the only thing that could be done; but because that was done, because the person looking after the child did not move with her children into the house of the orphan's deceased parents she could not get the full allowance. Do you know how much she has been getting on

behalf of that child simply because it was impossible for her to move into the house occupied by the parents of the deceased? Instead of the $75 she could have got which, as I said, would have been inadequate, she could only get $20 a month because the child was moved into her house, which was a much better and more comfortable home than the child had ever had before. That is all that has been paid for that child throughout the years.

The child is now 14 or 15 years of age and there are school expenses, which means that $20 is not adequate. If this amendment were made the merchant seamen's compensation board in any case would have discretion to make the arrangements that have to be made and would be able to remunerate the person suitably and more equitably than is the case at the present time.

I do not want to take too much time because other members want to speak on this bill, but I wish to emphasize again that the bill does not compel the board to separate families. The board still has the discretion it has always had and if they feel that the best thing to do is to keep the family together under one roof, then the bill does not stop them from doing so. They could do so before and they can do so under this bill. In this day and age it is very unlikely you will get anyone to accept such a responsibility for $75 a month. The bill does not interfere with the board's judgment in any way. It is a very simple bill designed merely to give the board more freedom to act, more freedom to deal with different types of cases and to deal with them in a better way. Therefore I hope that the bill will receive the support of the house.

Mr. McCleave: Would the hon. member permit a question? I did not like to interrupt this thoughtful speech. Can he tell us approximately how many people would be involved as a result of his proposed amendment? Would the number be in the hundreds, or fewer than that?

Mr. Carter: I would think there would be hundreds along the Atlantic seaboard. There are several in my own riding and I would say there would be a hundred in my own province. Taking the maritime provinces of Prince Edward Island, Nova Scotia and New Brunswick as well, I would think that several hundred orphans would be affected.

Mr. G. W. Baldwin (Parliamentary Secretary to the Prime Minister): Mr. Speaker, I hope that a landlubber from the inland port of Peace River may be permitted to participate in the debate on this bill in respect to which I commend the hon. member for the humanitarian motives which appear to actuate him in bringing this matter to the attention of the house. I am not raising any formal objection but I should like to call the hon. member's attention to something to which he might well give some consideration before this matter reaches the stage when it is voted on, and I may say that what I have in mind is accentuated by the answer made by the hon. member to the question asked by the parliamentary secretary to the Minister of Public Works.

I would point out that this is a bill which in its result may well have the effect of extending the terms of payment of a fund to a larger number of people than have been permitted to participate in its benefits up to now. Whether it is considered to be a fund which the crown is directly or indirectly distributing, or whether it is more on the basis of an insurance fund, as in the case of most compensation boards, may be an issue; but if it is in fact considered a fund which the crown is distributing then the hon. member is seeking as a private member, even with the most laudable objectives, to extend the number of people who may recover from the fund. I simply bring this matter to his attention. I am not raising it as a formal point of order but mentioning it now for consideration later.

I am inclined to the view that the hon. member may well have misconceived or misinterpreted the legislation. The act which he wishes to deal with, of course, is the Merchant Seamen Compensation Act and the particular section he is dealing with is section 30, subsection 2, which reads in part as follows:

> Where the seaman leaves no widow or the widow subsequently dies, and it seems desirable to continue the existing household—

I think he has given to the word "household" an interpretation which substantially strains the meaning. I think he connotes household with house, and I do not think this is the intention at all. As I read the act, and I went through it briefly today, this particular subsection is an attempt to retain intact the domestic family which survives the death of (a) the seaman or (b) the widow of the seaman. I do not think it matters at all where the household, and by that I mean the family, is maintained. Whether it be in the house where the seaman or widow died or whether it be in the house of the proposed foster parents, as long as the household or family is maintained intact as a unit under the normal provisions with regard to a family, then there is eligibility for the foster mother to receive this additional payment.

I have a dictionary here, a reasonably compact one which I can master in the house—Thorndike-Barnhart—and I refer to the meaning of the word "household" given in that dictionary:

> All the people living in a house; family; family and servants; a royal household.

And so on. I think that section 30 is quite plain and specific. It simply says that a person qualifies to receive this additional benefit provided the household, meaning the family, is retained intact. In the explanatory notes to the bill the hon. member also labours under this misapprehension because he says there:

> Under the present wording, the allowance is paid only if the person moves into the household of the deceased seaman or deceased seaman's widow.

Now, if you delete the word "household" and substitute for it the word "house", then I think my hon. friend would be correct. I suggest that in his amendment he has attempted to use the words "domestic establishment" and I imagine he has used those words in an attempt to distinguish between the word "household" and the sort of thing he has in mind. In looking at the same dictionary, I find that the word "establishment" has a number of meanings one of which is household. I think, and I submit this with some strength, that although I do not know what interpretation may have been placed upon this by the board—I am going to come to that in a minute—I would say that the act as it is now achieves the result which the hon. gentleman feels can only be achieved by his amendment.

I should like to refer to section 14 of the act itself. This is the type of section we see in all these compensation acts. I quote:

> The board has exclusive jurisdiction to examine into, hear and determine all matters and questions arising under this act and as to any matter or thing in respect of which any power, authority or discretion is conferred upon the board, and the action or decision of the board thereon is final and conclusive and is not open to question or review in any court—

This section has been the subject of a considerable number of judicial interpretations. As a matter of fact, I had the misfortune to run up against one of them myself. I think this question has even been taken to the Supreme Court of Canada, and it has been ruled this sort of section in a compensation act means exactly what it says. This is something we cannot say about all legislation. The boards constituted under compensation legislation have absolutely no impediment in interpreting an act. For example, they can decide who is eligible, decide the extent of injuries and who is entitled to the payment of benefits under the act.

My suggestion is that instead of bringing this forward as an issue to be debated in parliament, the proper authority to whom these representations should be made is the board. It may well be that I am labouring under a misapprehension. It may well be that a decision has been made by the board on this matter. I would say to the hon. member that if he can be as eloquent in taking his case before the board as he has been before this house, there is no reason why he cannot persuade the board, which is not bound by precedent and is able to amend or vary its decisions, to accept the validity of his argument and make the corresponding changes.

I mention that because I see this act was originally passed in 1946, was introduced into the revised statutes in 1952 as chapter 178, and has since been amended in 1952-53 and in 1957. I just had a moment to look through the 1957 debates. I observed that this particular section, not the subsection but section 30, was the subject of an amendment and of a considerable amount of discussion. At that time, of course, conditions were reversed and hon. members who are now in opposition were sitting on this side of the house. The hon. member who sponsored this bill spoke in connection with this particular amendment in 1957. I could be unkind, possibly, and suggest that certain legislation which in 1957, in the opinion of hon. members opposite, was scintillating, bright and needed no amendment, suddenly after 1957, upon mature reflection and consideration, appeared to be not quite as suitable. This may well be the case, but I am not suggesting it is.

In 1957, the hon. member made no reference to this particular aspect of the act. It may well be that from then until he introduced his bill cases may have been brought to his attention which did not exist before. If so, of course, that would be a good reason for introducing this measure at this time. I feel that when we attempt to vary, mould or amend laws to meet every case, even a few isolated cases, we frequently get ourselves into difficulty. Where you have an act which gives a board that broad jurisdiction which is given under section 14, it seems to me that board is the place where representations should be made. Possibly the hon. gentleman may have an opportunity of telling me later that the board has made firm decisions on this point. I feel that with a logical and reasonable interpretation of the section as it now stands, and with the cooperation of the board, everything which he asks in this bill can now be obtained.

(Translation):

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to make a few brief remarks on Bill C-25 now under discussion and entitled, an Act to amend the Merchant Seamen Compensation Act.

This bill provides a wider choice of residence for the persons who accept to care for children who have been prematurely deprived of their parents.

Under paragraph (2) of section 30 of the Merchant Seamen Compensation Act, it seems that a sister, an aunt or any other person called upon to care for the children of deceased seamen, is obliged to move into the former household. In my opinion, such a restriction should be abolished, and I feel that the mover of this bill has taken a right view of things, since he represents a maritime district and he may be better aware than many of us of the problems resulting from the provisions of the act, especially in paragraph (2) of section 30.

Mr. Speaker, not only am I not a seaman, but I do not represent a region where seamen live. The riding I have the honour of representing is located in the hinterland, but nevertheless I want to support the efforts of the mover of this bill and I also want to assure him of the support of the people in my riding.

Mr. Speaker, I hope that the proposed amendment to the Merchant Seamen Compensation Act will be adopted, because it will take a great load off our seamen's minds.

I support the bill because the Social Credit party, of which I am a member, is the defender of freedom and is in favour of everything that is conducive to that freedom. In fact, the Social Crediters have proved it many times since the beginning of the session and will certainly keep on proving it.

Mr. Speaker, Canadian merchant seamen have rendered great services to their country and since they have to work in extremely dangerous conditions at times, we should see to it that in case of sudden death, their families would be secure and could move somewhere else if they wish to do so.

I can understand that after the death of the head of the family, a widow or the person who is entrusted with the care of the children may want to change domicile. Those people should be free to choose where they want to live without any risk of losing the compensation under the act.

Thanks to this legislation, it may be easier to find kindhearted individuals to look after the education of those unfortunate children. In fact, as the mover of the bill stated, the law is so restrictive at present that it may easily scare anyone who might be willing to take on such a responsibility. That is why I am in favour of the bill and I hope that it will go through so that people will be encouraged to take care of those orphans.

(Text):

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, the members of this party are once again quite pleased to support the principle of this bill and I, as a member coming from British Columbia, which is a maritime province, am very pleased to support it because there must be similar circumstances on the Pacific coast to those on the Atlantic.

The purpose of the bill is to meet circumstances which time and experience in the administration of the act have proven cannot be met without amendment to the act. The hon. member for Peace River (Mr. Baldwin) has a certain necessary function to perform with respect to a bill like this. I am not blaming him as an individual, but I thought he was using rather legalistic arguments. I could see he was experiencing heavy weather in giving a narrow legal argument in opposition to the principle of the bill; but hon. members in all parties who supported legislation in years gone past and thought the legislation was quite satisfactory have later, in the light of experience, found themselves proposing amendments to it. That is exactly the situation with respect to this bill.

The hon. member for Peace River, or to give him his due status in society, the parliamentary secretary, mentioned something to the effect that the hon. member who introduced the bill failed to introduce this amendment prior to 1957; but no doubt in the meantime the hon. member has gained much experience and knowledge as a result of representations made to him by the seamen or relatives of the seamen and saw the necessity for this amendment.

The hon. member for Burin-Burgeo (Mr. Carter) and I have sharply differed on a number of occasions in this house, but on this occasion I give the hon. member full credit for having a close personal knowledge of the circumstances that warrant this amendment to the act, the circumstances under which seamen are employed, and the circumstances surrounding the administration of the act. During the years in which he has been a member of the veterans affairs committee he has demonstrated that he has a very sound knowledge of sea-going affairs, because of the riding which he represents and the circumstances under which he lives.

So far as this group are concerned, we are convinced he has advanced sound arguments in support of the amendment to show that it will be fair to the employers and will be of no expense to the consolidated revenue fund. If the parliamentary secretary has any doubt as to the cost of this amendment to the employers, I suggest he would be well advised to support the bill and then move that it be sent to the industrial

relations committee where it could be studied and witnesses called representing the seamen, the employers and any other groups who have personal knowledge of the circumstances which have prompted the hon. member to introduce the bill.

I cannot accept the narrow, legalistic argument of the parliamentary secretary, and his suggestion that the place for the hon. member to make his representations is before the board. The experience of hon. members of the house in making representations before boards has proven that to be a rather fruitless procedure. We have even had the premiers of provinces recently making representations to the board of transport commissioners with respect to the discontinuance of train and passenger services.

I suggest hon. members would be very well advised to ignore the suggestion of the parliamentary secretary and support the bill, so that the people it is intended to serve will benefit as quickly as possible.

Mr. Baldwin: On a point of order, Mr. Speaker, and I have waited until the hon. member finished, I want to make it absolutely clear I made no reference to the question of additional cost to the employers. I based my view on the very broad ground that the power sought already exists in the act.

Mr. H. M. Batten (Humber-St. George's): Mr. Speaker, I wish to register my support for the amendment to the Merchant Seamen Compensation Act proposed by the hon. member for Burin-Burgeo. I do so for one particular reason and that is that I believe the amendment is necessary. I agree that sometimes laws are made and it is not necessary to amend them; but all hon. members in the house know that certain laws, in the light of experience, have to be amended, and this is just one case where an amendment is really necessary.

The important thing to bear in mind is the welfare of the child or children involved. It may be possible in some cases to find a woman to take care of one or more children in the home where the children were born, but it is not always possible to do that. Sometimes a man or woman can be found who will look after children in his or her own home but who would not move to the original home of the children. In such a case, and if the children are going to be better cared for in the home of the foster parent, then the board should have the right to say that the maximum compensation will be paid to the person looking after the children.

This amendment would give the board wider latitude in looking after such cases, and these cases really need attention.

Quite often when an explanation is demanded from the board, the reason which the board gives for not making the maximum allowance to a child is that the child is not living in its original home, and one can assume that if the child were living in its original home it would receive the maximum benefit permissible under the act.

The hon. member for Halifax (Mr. McCleave) wanted to know the number of children involved. I recognize that legislation should not be made to cater to individual cases; but if legislation can be amended to make it more applicable to individual cases, I think that should be done. I do not think the number of children involved is an important question here. I was very interested in the remarks made by the hon. member for Peace River and I must admit that his interpretation of the word "household" corresponds with mine. I believe that if the board were entitled to use that interpretation of the word "household" the full purpose of this amendment would be achieved. If "household" were to mean the home in which the child was born or the home in which the foster parent lived then the purpose of the amendment proposed by the hon. member would be achieved perfectly.

The hon. member for Peace River also made reference to the amount of money that might have to be spent in an increasing quantity if more of these cases were allowed under this act. I should point out to him that at the bottom of the explanatory notes this statement is made:

> The costs of the administration of the Merchant Seamen Compensation Act and the compensation payable thereunder are chargeable to the employers and not against the consolidated revenue fund.

I think there are cases where, because this section of the act is not interpreted generously enough, some children of merchant seamen are not receiving the allowance which they should receive. I think a change needs to be made in the legislation so that the board will be given the latitude which will allow them to decide that a child or children, if they are going to be more properly cared for in the home of the foster parent, may live in the home of the foster parent and receive the maximum allowance which they would receive if they were living in the original home.

Mr. R. J. McCleave (Parliamentary Secretary to the Minister of Public Works): Mr. Speaker, I do not quarrel with the laudability of the amendment presented to us this afternoon or the most interesting speech by the

hon. member for Burin-Burgeo (Mr. Carter). However, I should like to point out what I regard as the main principle of his bill and one to which the house should give consideration. I would ask the question whether in cases of this kind we should proceed on the basis of legislation comparable to workmen's compensation plans in the provinces or on the basis of legislation comparable to benefits given under the war pensions and allowances plans.

I believe the hon. member has adopted, by his argument, a course of proceeding by legislation comparable to military pensions; but I suggest, sir, that the Merchant Seamen Compensation Act in its original purpose, in its framework, in its philosophy, in the way it was set out, was analogous—parallel, if you like—to the workmen's compensation acts of the various provinces. I do not say this is fatal to his bill. I would not argue that at all. But I think it should be at least known to the house that the apparent original purpose of the Merchant Seamen Compensation Act when it was passed by this parliament was to set up legislation comparable to workmen's compensation. I suggest, sir, from my knowledge—and I admit it is imperfect—that the provincial workmen's compensation acts do not contain provisions similar to the one presented to us in Bill No. C-25. Perhaps I am wrong in that, but that is my understanding from information given to me.

May I suggest a way that this problem, if it can be treated as a problem, should be solved. I think we all recognize the need for some help for the orphan class mentioned in the bill of the hon. member for Burin-Burgeo. It seems to me that to make our legislation all of a piece this is the sort of thing where the federal Department of Labour and the provincial departments of labour could work out a common philosophy for both workmen's compensation and the Merchant Seamen Compensation Act.

I now come to another point, Mr. Speaker. What are the rights or privileges with respect to orphan children as they now exist under the present act? First, a payment of $35 per month may be made to them until they reach the age of 18. Second, where it seems desirable to continue the existing household a suitable person acts as foster mother in keeping up the household and maintaining and taking care of these orphans entitled to compensation. That duty must be carried out in a manner satisfactory to the board. Under these circumstances the foster mother I have mentioned would be entitled to receive the same monthly payment for herself to a total of $75 per month, and the children $25 a month, as if she were the widow of the deceased. Under the amendment presented to us by the hon. member for Burin-Burgeo the bill would widen the discretion of the merchant seamen compensation board and make an allowance to a person who undertakes the care and maintainance of orphans of merchant seamen who are entitled to compensation under this act.

The hon. member for Humber-St. George's (Mr. Batten) raised the question of the phrase "existing household". I understand there is no precise definition under the act we are considering as to the exact meaning of "existing household". However, apparently it means people living together as a unit under the same roof. As my hon. friend for St. John's East (Mr. McGrath) points out to me, it does not mean the existing dwelling as a residence, but it is the family kept intact as a unit in the place where that is done. The hon. member by his amendment proposes that there be no requirement or prior condition that the existing household be continued, if I understand him correctly. He pointed out the example of an orphan in his riding who would, if the act were changed, receive a much greater benefit by being placed in a much better home and in the care of a person who would be able to do much more for him.

The amendment only requires that foster mothers maintain or care for such orphans or orphan. The keeping up of a domestic establishment is no longer a requirement. I asked the hon. member how many people would be involved if this amendment were to carry and I believe he gave the answer that 100 or more would be involved in his own province, and he projected that to hundreds in the maritime or Atlantic provinces of Canada. I am not sure if I understood him correctly as meaning this would be the total number of people who were now deprived of advantages under the act, advantages which they would otherwise receive. In any event, I find myself in sympathy with the bill more from the standpoint of heart or emotion than from reaching a conclusion on an intellectual basis because, as I pointed out earlier, the purpose of the act when originally set up was to parallel the function of the workmen's compensation boards in the various provinces and not, as the hon. member has said this afternoon, to parallel the provisions of the Pension Act. But whether that is a defect or not, I think the bill is worthy of our consideration and support.

Mr. J. C. MacRae (York-Sunbury): I should like to enter this debate briefly. I find myself in the rare position of agreeing completely with the hon. member for Burin-Burgeo and the hon. member for Humber-St. George's,

and I find myself in almost complete disagreement with my colleagues on this side of the house, the hon. member for Peace River and some others who have spoken. I shall attempt to show the points of difference as I continue.

The point was well taken that the important thing to do in the case of orphan children is to try to keep the family together, if that is possible. However, we must realize that if there is only one child there is often no family left to keep together—there is only one child for whom the best possible future should be provided. At the other end of the scale, if there is a large number of children it might be impossible to keep a family of eight, ten or more children together. What could be more sensible than to keep children in a good home rather than grasp at the services of someone who might be completely unsatisfactory for the sake of $75—not a large amount these days, it is true, though it would be helpful in supplementing income from other sources. If it is possible to get two or three children into a good home, full payment should be made in such a case. I think that point was well taken. I do not think any penalty should be imposed because a child is taken under another roof. After all, we do want to provide the best possible home for the child.

I was interested in another phase of this debate in connection with the merchant seamen of this country. This is a maritime nation with a long coast line. We know that in two wars if it had not been for the gallant contribution of these men the tide of events might have turned out differently. Many lost their lives but, happily, many survived. I can think of one member of this house, the hon. member for Saint John-Albert (Mr. Bell) who served for six years and has a gallant record of service in the merchant navy. I think anything we can do to make service in the merchant navy more attractive should be done. I think that is a principle of this bill, too. I know the hon. member who introduced the measure is most sincere about this. If a man can go to sea knowing that, should he lose his life, his wife and children will get the best possible care, that is most important to him.

A few moments ago the hon. member for Halifax (Mr. McCleave)—the taller member for Halifax, we sometimes call him—said, if I understood him correctly, that we should not try to make this legislation parallel to the provisions of the Pension Act. Here again, I find myself in disagreement with a colleague on this side of the house because I think those of us who serve on the veterans affairs committee and, indeed, most people in Canada, agree that Canadian pension legislation is second to none. If we could pattern the rest of our legislation on the Pension Act and the War Veterans Allowance Act I think we should have a better country in which to live. A year ago the merchant seamen who served in wartime came under the War Veterans Allowance Act for the first time. Prior to that they had been provided for under certain parts of the veterans charter. It seems to me that this was a change which was long overdue.

Perhaps my hon. friend from Halifax did not read the sections of the Pension Act which are specially applicable. They are mentioned here in the explanatory notes on this bill where we are invited to compare subsections (9), (10) and (10a) of section 26 of the Pension Act as substituted by chapter 10 of the 1960-61 session. I should like to quote briefly from section 26:

> (9) On and after the death of the wife of a pensioner pensioned on account of disability, or the dissolution of her marriage, the additional pension for a married member of the forces may, in the discretion of the commission, be continued to him for so long as there is a minor child or there are minor children in respect of whom additional pension is being paid, if there exists a daughter or other person competent to assume and who does assume the household duties and care of the said child or children.

Then subsection 10 goes on to say:

> (10) On and after the death of a widow of a member of the forces who has been in receipt of a pension, the pension for the widow may, in the discretion of the commission, be continued for so long as there is a minor child or there are minor children to or in respect of whom a pension is being paid, to a daughter or other person competent to assume and who does assume the household duties and care of the other child or children; in such cases the pension payable for children shall continue.

Mr. Speaker: Order. The hour appointed for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Pickersgill: I wonder if the leader of the house could give us any information about what business the government proposes to bring before the house next week. In asking this I would draw the attention of the leader of the house to the fact that last night my hon. friend from Laurier pointed out that there was to have been a conference today—and I know he waited for it most of the day today—among the house leaders to effect co-operation with regard to business.

Mr. Churchill: The hon. member for Bonavista-Twillingate gets exercised over these matters. A meeting of the leaders of the various parties was held yesterday at which certain conclusions were reached. I was then instructed to draft a proposed timetable for the coming week and submit it to the whips to transmit to their respective leaders. The

whips were asked to meet last night at 8.15 or 8.30 but none of them appeared, and until I get word from the whips as to whether there are modifications desired in this program there is not much purpose in attempting to have further consultations.

Mr. Habel: On a question of privilege, last night we were asked, as whips, to meet. I informed the government whip that this matter was to be dealt with by the house leaders of each party—that the whips had nothing to do with it. They were told immediately that it was to be taken up with the house leaders of each party, not with the whips. The minister is not going to get away with that.

Mr. Churchill: I am not trying to get away with anything. If there is a lack of communication between the parties, that is not my responsibility.

Mr. Pickersgill: On a question of privilege, it is a well known fact that when my hon. friend the hon. member for Laurier is not here I act on his behalf. The hon. member for Laurier was told by the leader of our party after the meeting with the Prime Minister yesterday that the house leaders had been instructed to meet at the call of the hon. member for Winnipeg South Centre, and the hon. member for Laurier has been waiting since that time until about an hour ago to attend that meeting. To the best of my knowledge that meeting has not been called. My hon. friend has had to go away and he has instructed me to attend in his place if it is called. All this shows to me that the government does not want co-operation and that it does not want to get on with its business.

Mr. Churchill: I am not taking instructions from the hon. member for Bonavista-Twillingate or from any one other than the Prime Minister.

An hon. Member: Speak up.

Mr. Churchill: I said I am not taking instructions from anyone in this house with the exception of the Prime Minister, and I have told the house what my instructions were.

On Monday we shall continue with the discussion of the bill dealing with the Atlantic development board which we were on today, and we shall follow that with a discussion of the national economic development board bill which is now in second reading. I hope the leaders of the various parties will examine the proposed timetable which has been typed out and distributed. If there are suggestions to be made, on Monday we could consider the matter.

I would like, also, on Monday, to ask the house to give consideration at five o'clock as the first item during that period to the bill standing in the name of hon. member for Marquette (Mr. Mandziuk) dealing with a proposal concerning the handling of divorce in parliament.

Mr. Pickersgill: I wonder if I might ask the leader of the house whether any proposal has been made in an informal way about the last point which the hon. gentleman raised because, normally, motions, not bills are taken on Mondays. I am not offering any objection, but has any proposal been made to the leaders of the other parties about this?

Mr. Churchill: This matter was discussed at a meeting of the leaders in the Prime Minister's office and I asked the hon. member for Marquette to make an investigation himself to see if this would be agreeable to the various parties.

Mr. Douglas: May I make a suggestion with regard to the business of the house. The hon. member for Winnipeg South Centre has suggested that the program which has been given to each of the political leaders be reviewed. I just wish to point out that as to the meeting which was held yesterday with the Prime Minister I think there has been some misunderstanding, and I think we ought not to discontinue the arrangements which were suggested the other day. There may be some misunderstanding as to what the terms were. Certainly my understanding was that the whips and the house leaders would meet. I would suggest that this idea be carried forward. I do not think we should be asked just to accept the list of legislation sent to us by a representative of the government. I think the whips and the house leaders should review the matter. Then the meeting which the Prime Minister said would be held with the leaders of the various parties could then be proceeded with.

Mr. Churchill: That throws some more light on the matter.

Mr. Speaker: Without creating a precedent, I think there is perhaps under the circumstances some justification for members from each of the parties speaking. However, this is not a rule of conduct, namely that on the discussion of business we get representatives of all the parties participating. It is usually the opposition house leader who asks the house leader what the business is to be. In the circumstances, however, if there is some point to be clarified, I will hear the hon. member for Red Deer.

Mr. Thompson: I should just like to verify what was said by the hon. member for

Burnaby-Coquitlam. This was the arrangement that I understood was to be followed. I understood that when the whips and the house leaders got together, then the leaders would again meet to verify the procedure we would follow. I mention this only because we certainly wish to go ahead with legislation. This was the purpose of our meeting and this is what we ought to be doing. I would also mention that it was agreed the other day that we go ahead with this divorce question; and it was our plan that it come up as soon as possible, if there is agreement.

It being eight minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, December 10, 1962

The house met at 2.30 p.m.

SUPPLEMENTARY ESTIMATES, 1962-63

A message from His Excellency the Governor General transmitting supplementary estimates for the financial year ending March 31, 1963, was presented by Hon. George C. Nowlan (Minister of Finance), read by Mr. Speaker to the house, and referred to the committee of supply.

PUBLIC SERVICE

ANNOUNCEMENT OF IMMEDIATE IMPLEMENTATION OF SALARY REVISIONS

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, in further reference to the motion I have just made I should like to make a brief statement. After careful consideration the government has approved the recommendations of the treasury board that salary revisions be implemented at once for the employees comprising the second, third and fourth groups in the cyclical salary review program, and that wage adjustments for prevailing rate employees, consideration of which has been deferred for some months, be also put into effect as soon as the paying authorities can make the necessary arrangements.

In accordance with the principles underlying the cyclical salary review policy, the revisions will be effective from the dates as of which the pay research bureau collected the data on which they are based, that is to say:

(a) In the case of the clerical, administrative, accounting and professional support group, October 1, 1961;

(b) in the case of the hospital group, January 1, 1962;

(c) in the case of the penitentiary and police group, April 1, 1962. The prevailing rate wage adjustments will be effective from the dates recommended by the Department of Labour in each case.

Provision has not been made for the increased expenditure involved in the government's decision in the fiscal year 1962-63 in the estimates which have been tabled in the House of Commons and, consequently, a supplementary estimate in the amount of $30 million to augment the general salaries vote, from which funds will be allotted to departmental votes, has just been tabled. Some 60,000 employees will be receiving increases as a result of action on the three cyclical groups. The number of prevailing rate employees who will receive wage adjustments cannot readily be calculated accurately, but it is estimated at between 5,000 and 6,000.

Consistently with the cyclical salary review policy, statistics are presently being collected by the pay research bureau on which revisions for the fifth group in the cycle will be based. This group embraces the postal, customs and immigration classes, the crafts, building custodial and maintenance classes, and a large number of other classes which were not included in the first four groups. When the civil service commission has considered the data bearing on this fifth group, it will make recommendations for revisions to the government to be effective as of October 1, 1962.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I think members of the house will have been pleased to hear the minister's announcement regarding pay increases for the civil service although they will not be surprised, because this announcement apparently has already been made outside the house in the columns of the press, indeed before the civil service organization officers, according to reports, had been informed of it.

We on this side of the house, while welcoming the minister's announcement, cannot help but recall that the original pay freeze instituted by the government, which was imposed without following the procedure laid down under section 7 of the Civil Service Act, was in our view unjustified because at that time it forced civil servants to make a contribution to the government's austerity program, which no other occupations were being asked to undertake. The government, having taken that step, is now at this date making what I assume are amends for an action which should not have been taken in the first place.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, on behalf of members of our party I express satisfaction in the fact that the government has faced up to its responsibility before the end of the year, just prior to the Christmas season. Omitting any political overtones or trying to lay accusations for what

should have been done before, we just express our satisfaction that it has been done now. We trust that in the consideration the government is making to correct this situation it will not forget the sessional staff during the Christmas season.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this party welcomes the announcement that the Minister of Finance has made. We rejoice with all those who will benefit from the increases now to be put into effect and to be made retroactive, and I join with the hon. member for Red Deer in expressing the hope that early action will be taken to make provision for increases for members of the House of Commons staff, who I believe are not covered by the announcement made today by the Minister of Finance.

An hon. Member: How about the members?

Mr. Knowles: We are supposed to be able to look after ourselves.

Despite our welcoming this announcement, and despite the remark made by the hon. member for Red Deer, I think it is appropriate to urge that there be as little delay as possible so far as the fifth group of employees is concerned. In fact I am quite disappointed to learn that postal, customs and other employees are not included in the announcement made today.

Mr. Nowlan: They could not be.

Mr. Knowles: I hope that at some point very soon the minister will make it clear that they will be covered. I want also to say that we shall have to wait until we see the details to learn whether our approval is without qualification, because I noticed the minister said that the government is putting into effect the recommendation of treasury board. A great deal has been made by this government of its new Civil Service Act, about the consultation between civil servants and the civil service commission. My understanding is that the civil service commission made certain recommendations but that the recommendations of treasury board are not necessarily those of the civil service commission. If that is the case, if our employees are being given less than the civil service commission has recommended, I think this is most unfortunate. As a matter of fact this raises the whole question as to whether the kind of consultation to be had at the present time is sufficient.

Nevertheless we welcome this announcement; we are glad that it goes as far as it does. We hope that further improvements will be made in the position of the civil service both so far as their wages are concerned and in their relations with the government at the earliest possible date.

[Mr. Thompson.]

TRADE

AMENDMENT OF U.N. RESOLUTION FOR WORLD CONFERENCE

On the orders of the day:

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, on November 16 I answered a question in the house concerning a resolution adopted in the second, which is the economic, committee of the United Nations general assembly calling for a United Nations conference on trade and development. There were serious difficulties at that time over the timing of the conference, and hon. members will recall that in the committee Canada supported the majority vote in favour of that resolution but major trading nations, including the United States, Britain, Japan and some of the important European economic community countries, voted against it. Twenty three countries abstained. Since it was essential that the major trading nations participate in the United Nations conference if it was to be of practical benefit to developing countries, the Canadian delegation with other delegations has worked strenuously during the past three weeks in an endeavour to resolve the differences about the timing of the conference.

I am pleased to be able to inform the house that on Saturday last at a plenary meeting of the United Nations an amendment to the resolution sponsored by Canada and Peru was accepted and led to the virtually unanimous adoption of the revised resolution by the general assembly. The voting was 91 in favour, none against, and one abstention. The text as approved now commands the support of Britain, the United States, Japan, the common market countries and the 23 countries which abstained in committee.

The original resolution recommended to the economic and social council that it convene the conference not later than September, 1963. The resolution as now adopted recommends to the economic and social council that it convene, after consideration of preparatory work, a United Nations conference on trade and development as soon as possible after the 36th session of ECOSOC, which is July, 1963, but in no event later than early 1964, taking into account the view expressed by a large number of delegations that the conference should be convened not later than September, 1963 as well as the view of other delegations that the conference be held in July, 1964.

I emphasize that this United Nations conference on trade and development is fully consistent with the Prime Minister's proposal in London which has resulted in the calling of an early meeting of GATT ministers. The GATT ministerial meeting will have as its primary purpose the laying of a foundation for a new round of tariff negotiations and for the reduction of other barriers between the members of GATT. These negotiations would aim at expanding opportunities for world trade and would take advantage of new far-reaching tariff negotiating authority of the United States. The GATT efforts to find solutions to many of the same problems which would be considered in the wider forum of the United Nations will complement and support the broader effort. The importance and urgency of these problems, particularly as they relate to trading interests of developing countries, are such as to require their continued attention in the United Nations, GATT and in other international forums concerned with world trade. Far from there being any conflict between GATT initiatives and the United Nations conference, the Canadian government hopes the two approaches will reinforce each other and thereby increase the prospect for early solutions to the problems of world trade.

We are hopeful that this conference, after careful preparation, will be a working conference from which will emerge positive proposals for concrete solutions for the expansion of trade, particularly for the developing countries. It has not been easy to bring about this compromise in the United Nations and I should like to pay special tribute to Senator F. M. Blois and, of course, the other members of the Canadian delegation for their efforts which have resulted in the adoption of this resolution practically on a unanimous basis.

[*Later:*]

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs arising out of his statement to the house at the commencement of today's session. Can the minister advise the house whether under the terms of the United Nations resolution the trade conference will concern itself with the negotiation of international commodity agreements as well as with the multilateral reduction of trade barriers?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, my understanding is that it covers the whole broad field of trade.

[*Later:*]

Mr. Harold E. Winch (Vancouver East): I wish to direct a question to the Secretary of State for External Affairs. In view of his statement made just a little while ago on the resolution adopted at the United Nations relative to a trade conference to be held in the spring of 1964, will the minister inform the house of his position and the stand taken by Canada with regard to the proposal that countries other than United Nations members should be invited to attend in order to work toward a world trade agreement?

Mr. Green: Mr. Speaker, I believe there was some amendment to this effect introduced by the Soviet union or one of the other communist countries, and it was defeated. Canada voted against it.

LIBRARY OF PARLIAMENT

CONCURRENCE IN REPORT OF JOINT COMMITTEE

Hon. Gordon Churchill (Minister of Veterans Affairs) moved:

That the report of the joint committee of both houses on the library of parliament, presented to this house on Thursday, December 6, 1962 be now concurred in.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

(Translation):

SENIOR C.N.R. OFFICIALS

Question No. 935—**Mr. Legare:**

1. What are the names, titles and duties of the twenty-seven officers of the Canadian National Railways who hold the most important positions following that of the president?

2. On what date were they first employed by the railway company and what successive positions have they held?

3. What is the salary, including the "pecuniary benefits" over and above the salary, each of them receives within the company?

Mr. McBain: The C.N.R. authorities have given us the following information:

The policy of the management concerning the questions raised was expressed on many occasions, especially in answer to question No. 344 of the session of the twenty fourth parliament, where it is said that it is not the policy of the management to supply information from the personal files of officers and employees, a position which met with the approval of the sessional committee on railways, airlines and shipping, and that appointments are made after careful consideration of the qualifications and experience of the persons concerned.

Questions

(Text):

*CHEMICAL TREATMENT OF GRAIN

Question No. 987—**Mr. Haidasz:**

1. Has the Department of Agriculture received any complaints about shipments of grain containing the presence of chemically treated kernels?

2. Is chemically treated grain, condemned for human use, allowed to be used for animal feed?

Mr. Jorgenson: 1. No.

2. Chemically treated grain, condemned for human use, is not allowed to be used for animal feed if the feed will contain a material in quantities (a) likely to be deleterious to livestock, or (b) which would leave in the tissues of an animal a residue of a poisonous or harmful substance contrary to the Food and Drug Act.

FRUIT, VEGETABLE AND POULTRY EXPORTS AND IMPORTS

Question No. 989—**Mr. Douglas:**

What were the volumes and estimated value of imports to Canada and exports from Canada via British Columbia points of entry during each of the past five years of the following products, processed or otherwise: strawberries, raspberries, eggs, dressed poultry, potatoes, onions, carrots, cabbages, lettuce, tomatoes?

Mr. Nesbitt: Available statistics on the volume and value of imports and exports of the specified products through customs ports in British Columbia during the years 1957-1961 are shown in the tables attached.

No trade through British Columbia customs ports was recorded for the following statistical classes in the period 1957-1961:

Export class 53-59—Eggs, whole, yolk or albumen, dried.

Export class 53-69—Eggs, whole, yolk or albumen, frozen or otherwise prepared n.e.s.

Import class 30—Raspberries, fresh.

Import class 2326—Eggs, whole, egg yolk or egg albumen, frozen or otherwise prepared n.o.p.

Import class 2255—Chicken and fowl, dead n.o.p.

Import class 2256—Poultry dead n.o.p.

Available statistics on the volume and value of exports of specified products through customs ports in British Columbia during the years 1957–1961

Description	Export Class	Unit of Qty.	1957		1958		1959		1960		1961	
			Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
				$		$		$		$		$
Strawberries, fresh.....	(new 71–78) (former 40)	Lb.	Nil		Nil		Nil		27,200	5,848	1,857	260
Raspberries, fresh.....	new 71–75	Lb.	Not separately classified prior to year 1961								3,447,841	529,506
Eggs, hatching.....	(new 53–09) (former 2818)	Doz.	84,452	72,211	55,096	61,144	19,689	14,532	38,278	43,456	19,632	21,249
Eggs in the shell n.e.s....	(new 53–19) (former 2820)	Doz.	80,910	34,223	310,590	105,862	19,830	5,889	2,360	1,540	3,990	1,913
Poultry, fresh or frozen..	(new 11–99) (former 2625)	Cwt.	Nil		3	147	3	150	14	767	Nil	
Potatoes, seed.....	(new 91–80) (former 1460)	Lb.	4,137,500	108,562	3,384,200	96,636	2,824,300	72,086	2,891,500	104,614	7,705,800	283,434
Potatoes, n.e.s.....	(new 91–82) (former 210)	Lb.	36,300	866	22,100	690	24,600	870	184,000	3,771	136,100	3,886
Onions.....	(new 91–70) (former 200)	Lb.	4,250	400	Nil		7,300	205	Nil		135,140	8,488
Carrots, fresh.....	new 91–35	Lb.	Not separately classified prior to year 1961								54,000	2,571
Cabbages.....			Not separately recorded in export statistics									
Lettuce.....	new 91–60	Lb.	Not separately classified prior to year 1961								Nil	
Tomato juice, canned....	(new 98–90) (former 280)	Lb. N.	895	521	Nil		Nil		878	73	Nil	
Tomatoes, n.e.s., canned	(new 98–94) (former, 270, 290)	Lb. N.	Nil		Nil		Nil		Nil		12,778	3,014
Tomato soup, canned....	(new 141–10) (former 300)	Lb.	690	86	Nil		Nil		Nil		Nil	

Available statistics on the volume and value of imports of specified products through customs ports in British Columbia during the years 1957-1961

Description	Import Class	Unit of Qty.	1957		1958		1959		1960		1961	
			Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
				$		$		$		$		$
Strawberries, fresh	19	Lb.	6,435,218	772,839	4,702,445	633,728	5,594,042	826,673	6,399,606	958,875	7,542,071	1,073,664
Strawberries, frozen	46	Lb.	370,560	65,395	979,005	190,255	1,244,614	222,852	1,131,443	189,818	1,124,135	224,196
Raspberries, frozen	44	Lb.	32,014	7,044	Nil		750	196	60,000	11,931	12,145	2,393
Egg albumen, dried, evaporated, desiccated or powdered	2315	Lb.	4,955	5,592	200	194	Nil		Nil		Nil	
Eggs, dried, evaporated, desiccated or powdered n.o.p.	2317	Lb.	Nil		150	157	Nil		Nil		50	81
Eggs in the shell	2325	Doz.	159,528	250,685	224,220	357,435	265,037	392,162	136,270	231,115	425,860	428,100
Chickens and fowl, dead or alive n.o.p.	2259	Lb.	606,906	213,536	1,139,699	376,062	1,052,356	202,302	1,717,246	256,427 (discontinued July 1, 1961)	754,992	108,600
Turkeys, dead or alive n.o.p.	2260	Lb.	1,095,621	361,523	66,096	8,082	33,195	7,359	287,816	109,654 (discontinued July 1, 1961)	278,303	95,497
Poultry n.o.p.; and game; quails, partridges and squabs, dead or alive n.o.p.	2254	Lb.	160,178	58,805	174,967	65,170	146,616	49,303	152,425	55,607 (discontinued July 1, 1961)	25,557	9,796
Chickens and fowl, eviscerated	2247	Lb.							(From July 1, 1961)		61,496	12,555
Turkeys, eviscerated	2248	Lb.							(From July 1, 1961)		30,009	9,939
Poultry, eviscerated	2249	Lb.							(From July 1, 1961)		170,699	62,277
Potatoes, sweet, and yams	124	Lb.	1,618,500	142,564	1,526,400	146,345	1,684,700	143,714	1,476,800	161,216	1,298,992	159,831
Potatoes n.o.p.	125	Lb.	50,938,900	1,020,584	52,568,800	1,333,049	58,377,800	1,650,927	38,707,200	1,208,579	43,498,501	1,003,296
Seed potatoes	1759	Lb.	160,900	4,311	46,000	1,303	250,100	7,039	231,400	7,665	675,210	20,241
Potatoes, dried, and sweet potatoes n.o.p.	133	Lb.	77,492	10,130	10,196	1,903	144,841	31,867	213,359	44,709	151,616	35,602
Potatoes, french fried or otherwise prepared, frozen	380	Lb.	173,875	26,021	33,735	5,480	117,094	11,590	323,109	37,522	89,600	10,512
Potato chips, not frozen	381	Lb.	36,576	17,413	192,491	97,865	14,244	7,595	15,523	5,529	4,306	1,379
Onions, green, including shallots	109	Lb.	Not separately classified prior to year 1961.								1,402,201	114,732
Onions and shallots (Old class)	122	Lb.	15,518,668	522,686	17,381,358	564,351	17,457,013	666,736	13,158,541	397,410		
Onions n.o.p., including onion sets (new class from Jan. 1, 1961)	122	Lb.									13,836,248	429,739
Carrots, fresh	116	Lb.	11,654,517	438,822	10,555,605	469,601	11,333,165	449,097	10,767,894	389,011	9,685,039	538,642
Cabbage	115	Lb.	8,167,087	210,372	9,105,259	256,384	8,261,943	209,125	7,217,599	223,856	7,109,561	192,773

Lettuce	120	Lb.	15,845,550	557,812	18,469,751	638,335	17,518,447	618,371	18,167,097	740,973	19,550,194	662,100
Tomatoes	127	Lb.	17,484,971	1,200,937	15,995,130	1,258,407	18,505,663	1,217,112	19,138,219	1,447,623	18,961,445	1,235,258
Tomatoes, canned	137	Lb.	5,078,879	383,768	2,876,013	236,695	5,338,274	412,636	6,279,301	503,895	1,902,126	181,092
Tomato paste, canned	138	Lb.	825,892	118,279	822,608	123,615	991,675	144,702	1,104,214	166,717	1,301,870	218,059
Tomato pulp and puree, canned	139	Lb.	277,985	18,715	94,698	7,240	203,664	12,454	189,890	14,861	115,308	10,920
Tomato juice, canned	140	Lb.	13,275,465	806,163	11,042,800	722,911	11,850,356	693,282	10,684,956	710,562	11,031,679	797,153
Ketchup (catsup)	154	Gal.	181,802	225,497	146,900	185,423	181,382	248,997	197,719	278,665	191,073	298,523

Questions

CHILDREN UNDER 16 IN FEDERAL PENITENTIARIES

Question No. 991—**Mr. Matheson:**

1. How many children under the age of 16 years were incarcerated in federal penitentiaries during the year ended March 31, 1962?
2. What is the breakdown of this group by age on admission, by offence, and by length of service?

Mr. Bell (Saint John-Albert): 1. 41.

2. (a) 13 years old, 2; 14 years old, 5; 15 years old, 34.

(b) B.E.T., 15; Theft of auto and motor vehicle, 15; Incorrigible, 3; B.E.W.I., 1; Attempt robbery while armed, 1; Theft, 1; R.W.V., 2; T.A.O. and B.E.T., 2; T.O.A. and attempt B.E.T., 1.

(c) Term of 2 years, 30; Term of 2 years and 1 month, 1; Term of 2 years and 2 months, 1; Term of 3 years, 9.

COST OF ALASKA HIGHWAY IN B.C.

Question No. 994—**Mr. Leboe:**

1. What are the latest estimates as to the cost of reconstruction and paving of the Alaska highway within B.C.?
2. What is the annual cost of maintaining the B.C. portion of the Alaska highway?
3. What offer has the B.C. government made in respect to participating in or taking over this section of the Alaska highway in B.C.?

Mr. Harkness: 1. No accurate estimate for reconstruction and paving of the Alaska highway within British Columbia is available, as no detailed engineering studies have been made on the unpaved portion of the Alaska highway.

2. Based on expenditures during the fiscal year 1961-62—$3,281,571.

3. British Columbia accepted conditions of transfer and assumed control and maintenance for the paved sections between Mile 1.4 and Mile 83.6 on October 1, 1961. No further approach has been made by the province of British Columbia to take over the remaining portion of the Alaska highway within the provincial boundaries.

(Translation):

C.B.C., MONTREAL—STORAGE OF STOCKS ON HAND

Question No. 1,006—**Mr. Marcoux:**

Is stock valued at $2,500,000 stored in the C.B.C. building located on Dorchester street, Montreal, and, if so, for what purpose will it be used?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation as follows:

Yes. Stocks stored represent inventories to be used by the corporation in the normal conduct of its business.

(Text):

STUDY OF DUTCH ELM DISEASE

Question No. 1,013—**Mr. Coates:**

1. Has the Department of Forestry undertaken a study of the prevalence of Dutch elm disease in Canada and, if so, what is the result of such study?

[Mr. Nesbitt.]

2. What is the federal government doing to eradicate Dutch elm disease?

Mr. Flemming (Victoria-Carleton): 1. The Department of Forestry has undertaken a comprehensive program of surveys and research on the Dutch elm disease and definite procedures are recommended to reduce the destructiveness of this serious disease.

It has been demonstrated that control measures involving the removal of diseased and dead trees and spraying of healthy trees with insecticides can keep losses to tolerable levels. Where these measures are not implemented, however, the disease is expected to continue to kill elms for many years in areas where it now occurs, namely, western New Brunswick and southern Quebec and Ontario, and to spread to other areas; but it is unlikely that it will eliminate elms from our landscape.

Intensive research is in progress to determine how the disease develops in infected trees and on chemotherapy to find improved measures of control. Co-operative studies with Department of Agriculture scientists have resulted in the development of elms apparently resistant to the disease. These trees are presently being critically tested to determine the degree of resistance.

2. It is unlikely that the Dutch elm disease can ever be completely eradicated. The disease is now well established over extensive areas of Canada and the United States and under these conditions it is impossible to remove all sources of infection. The present program in many cities and park regions is one of sanitation which calls for early detection and removal of infected trees. In cities where these programs have been rigidly applied losses have been reduced to tolerable levels (e.g., Fredericton, N.B.).

The federal government is assisting in control programs by providing technical assistance and guidance in methods and procedures of disease control. Extensive continuing surveys are carried out to define the limits and seriousness of the disease and to provide other information essential for timely control operations.

(Translation):

C.B.C.—REDUCTION IN SALARIES OF PERMANENT EMPLOYEES

Question No. 1,017—**Mr. Marcoux:**

Has provision been made in the revised estimates for a decrease in the salaries of the permanent members of the C.B.C. staff, and will this result in a decrease in the number of the performers for the different programs?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation as follows:

The revised estimates reflect the progression of the corporation's regular staff through the salary scales in which they are placed as a result of commitments made in union negotiations or at the time of appointment to staff. The number of program performers is not directly related to variations in the amounts paid out in salaries to the regular staff.

(Text):

VOCATIONAL TRAINING STATISTICS

Question No. 1,022—**Mr. Pennell:**

1. With respect to the Vocational Training Co-ordination Act: (a) how many persons enrolled for training under the terms of the said act (i) in 1961 (ii) in 1962 (b) have any of these trainees completed their courses and, if so, how many (c) how many of those who enrolled discontinued their training before completion (d) how many enrolled for courses conducted under (i) trades approved for apprenticeship under the Provincial Apprenticeship Act (ii) trades under a collective labour agreement (iii) trades under private apprenticeship plans (e) what were the reasons given by those who discontinued their training?

2. With respect to the Technical and Vocational Training Assistance Act: (a) how many persons enrolled for training under the terms of the said act (i) in 1961 (ii) in 1962 (b) how many completed their training under this act (c) how many discontinued training under this act before completing the course (d) what reasons were given for discontinuation of the course (e) were any trainees requested to discontinue and, if so, how many (f) how many of those who completed training are now employed (g) how many persons were deemed to be unemployed at the time they enlisted for training under provisions of this act (h) what has been the cost to the federal government for assistance under this act, exclusive of capital expenditures?

Mr. Starr: 1. The Vocational Training Co-ordination Act was repealed by section 15 of the Technical and Vocational Training Assistance Act effective 20 December, 1960 when the latter act became effective. Therefore there was no training under the Vocational Training Co-ordination Act in 1961 and 1962.

All training programs carried on under the Vocational Training Co-ordination Act at the time that the new act came into effect were continued under the terms of the new act.

2 (a), (b), (c), (d), (e), and (f). This information is not available.

(g) 1960-1961, 10,774; 1961-1962, 26,887.

(h) 1960-1961, $5,634,051; 1961-1962, $17,819,657.

GLASSCO REPORT—PURCHASE OF SURPLUS EQUIPMENT

Question No. 1,029—**Mr. Smith (Calgary South):**

In connection with the items of equipment indicated in the Glassco report as being held surplus to requirements, i.e., boots, small kit bags, underwear, socks, pneumatic tires, lamp G-bulbs, oil seal rings, radio oscillator (a) in each case when were these articles purchased (b) what was the total quantity purchased (c) what was the quantity on hand when stocks were examined by the Glassco commission (d) on what basis was the number of years' supply for each item computed?

Mr. Harkness: Boots—Records of total quantities purchased of this item prior to 1954 are no longer kept. The last purchase of this boot size was in 1954-55 when 80 pairs were bought. The stocks were for current issue and for mobilization purposes. There were 170 pairs on hand when stocks were examined by the Glassco commission.

Small kit bags—39,000 of this item were purchased between 1956 and 1960 and there were 24,485 on hand when the Glassco commission examined the stocks. These kit bags are issued to all non-commissioned personnel in the navy for stowage of blankets. A total of 4,000 were issued in the 12 month period ending October, 1962.

Underwear—33,000 were purchased in 1951-52. The stocks were for current issue and for mobilization purposes. In 1959 the previous issue of 3 suits per man was discontinued. Issues are now limited to men serving in northern locations. The number on hand at the time of the Glassco commission examination was 20,652. The issues in 1961 were 18 suits.

Socks—Records of total quantities purchased of this item prior to 1952 are no longer kept. 16,520 pairs of this item were purchased in 1952 for current issue and for mobilization purposes. There were 47,386 pairs on hand at the time of the Glassco commission examination.

Pneumatic tires—This particular tire is used on the nose-wheel of the C130B Hercules heavy transport aircraft, 4 of which were introduced into service in 1960. There were 24 in stock at the time of the Glassco commission examination. These aircraft are now in full operational service and the spare tires have been utilized when required. The supply inventory is now nil. Procurement action is being taken to obtain additional spares in order that C130B operations can continue without interruption.

Lamp G-Bulbs—The G-bulb is required for the Aldis lamp used by aircrew of Lancaster aircraft and were supplied from R.A.F. sources. There is no record of procurement of this bulb since the end of world war II. There were 4,053 of this item on hand when stocks were examined by the Glassco commission. When the Lancaster aircraft are withdrawn from service, there will no longer be a requirement for this bulb.

Oil seal rings—14,310 of this item, for vehicles of peculiar military and non-commercial design, were purchased during 1952 as part of a lifetime buy of spares based on possible wartime usage. The vehicles are expected to be in service for a further 10

or more years. There were 13,801 in stock at the time of the Glassco commission examination. The annual usage of oil seal rings increases in proportion to the age of the vehicles and, in fact, the annual consumption has nearly doubled since the time of the examination by the Glassco commission.

Radio oscillators—Approximately 35,000 of this item were purchased in 1952-53 and there were 25,640 on hand at the time of the Glassco commission examination. This item was bought as part of a lifetime buy in support of 5,000 portable radio sets, of which manufacture was being discontinued. The part is peculiar to this radio set which is expected to be in service at least until 1970. As with the oil seal rings, the annual usage increases in proportion to the age of the radio sets.

Also referred to in the report:

Flashlights—This item was purchased during world war II and records show a stock of 4,881 in 1953. 4,458 were held at the time of the Glassco commission examination. This is a signal light for traffic control and is held for mobilization purposes.

Coveralls—This item was purchased prior to 1954 but available records do not indicate exact numbers acquired. 27,200 were in stock at the time of the Glassco commission examination, of which over half are used. They are being retained for national survival requirements.

In each case, the Glassco commission computed the number of years' stock on hand by dividing the stock, whether for normal issue, mobilization purposes or lifetime spares, by the number of issues made in the year 1961.

*CANADIAN REPRESENTATIONS RESPECTING APPLICATION OF U.S. LABOUR LAWS TO SHIPS

Question No. 1,030—**Mr. Herridge:**

What representations were made by the Canadian government before the United States supreme court concerning the effort of the United States labour relations board to make United States labour laws applicable on foreign registered, United States owned ships?

Mr. Green: The jurisdiction of the United States national labour relations board is being made the subject of review by the United States supreme court when it considers later this month a series of cases known as the Empresa cases. These cases involve the general question to what extent may the jurisdiction of the national labour relations board be applied to vessels (1) in which United States citizens or business concerns have substantial control and/or beneficial interests; (2) which fly the flag of, and are registered by, a foreign nation; and (3) are engaged in the foreign commerce of the United States.

Canada seeks leave to state its position to the court in these cases because of the implications of the court's decision for international maritime commerce in general and Canadian trade and commerce in particular. On instructions from the Canadian government, the New York legal firm of Sullivan and Cromwell has delivered to the supreme court a brief as *amicus curiae* in the cases, together with a motion for leave to file the brief. In line with past practice, there is every indication that the leave requested will be granted. It is a customary practice of the supreme court not to confirm the granting of the application for leave to file until the actual day of the hearing.

I hope shortly to table in parliament a copy of the Canadian brief which contains our submission in detail. It was prepared by the firm of Sullivan and Cromwell in consultation with the Departments of Justice, External Affairs and Labour.

(Translation):

C.N.R.—CLAIMS FOR DAMAGED GOODS, USE OF PRIVATE CARS, ETC.

Question No. 1,032—**Mr. Beaule:**

1. What was the actual amount paid on claims by the Canadian National Railway for (a) lost goods (b) damaged goods, for each year from January 1, 1956 to January 1, 1962?

2. What was the actual amount paid by the C.N.R. on claims for lost and damaged goods from January 1, 1956 to January 1, 1962, at (a) Montreal (b) North Sydney (c) Vancouver and in (d) Newfoundland?

3. What was the amount of alcoholic beverages bought by the C.N.R. and delivered to the private trains of the C.N.R. in Canada for each year from January 1, 1956 to January 1, 1962?

4. How many private railway cars are maintained by the C.N.R. in Canada for officials and employees in each province?

5. How many private railway cars are operated by the C.N.R. in Montreal for officials and employees?

6. What are the names or numbers of all private railway cars of the C.N.R. outside Montreal and the total price and cost of maintenance of each from January 1, 1956 to January 1, 1962?

7. What was the mileage of each private railway car for each year from January 1, 1959 to January 1, 1962, and also (a) the names and positions of the officials and employees using these cars and (b) the places where they went in Canada and outside Canada?

8. Are private railway cars used in Newfoundland and, if so, what are (a) the numbers of the cars (b) the names and positions of the officials and employees using them (c) the mileage covered by each car from January 1, 1956 to January 1, 1962 (d) the total maintenance cost of these cars from January 1, 1956 to January 1, 1962 and (e) were these cars used at any time for purposes other than

the above-mentioned and, if so, by whom and for what purposes?

9. Has the C.N.R. been sued for goods stolen during transportation by rail or from its premises from January 1, 1958 to January 1, 1962, and, if so, (a) for what amount in each province (b) what was the actual value of the goods stolen in each case (c) the number of convictions and (d) the number of cases dismissed?

10. What was the amount of the claims made by shippers against the C.N.R. in each province from January 1, 1958 to January 1, 1962?

11. Has the C.N.R. any important claim for an amount exceeding $500 which has been outstanding for a period of a year or more and, if so, (a) for what length of time (b) what are the names of the claimants and (c) what is the reason for the failure to settle such claims?

Mr. McBain: 1 and 2. Information on these questions is found in the annual reports published by the C.N.R., as well as in part 2 of publication No. 52-209 entitled "Railway Transportation" by the dominion bureau of statistics. The requested details do not appear there in the same form as in the question.

3. None.

4, 5, 6, 7 and 8. For the requirements of its operation, the railway operates certain work and business cars for the use of executives and employees, for inspection and business purposes, consistently with a policy recognized by other railways in Canada and elsewhere. The requested details are not recorded in the same form as in the question.

9, 10 and 11. These questions are sub judice.

(Text):

DAMAGE TO SEEDLINGS, B.C.

Question No. 1,033—**Mr. Fleming (Okanagan-Revelstoke):**

Has the Department of Forestry received reports of damage to seedlings in plantation and reforestation areas of coastal British Columbia and, if so, what is the department doing to remedy such conditions?

Mr. Flemming (Victoria-Carleton): In recent years approximately 200,000 acres of plantations have been established in British Columbia and as a result insects and diseases attacking small seedlings have received a great deal of attention. Currently the most destructive insect pest is a weevil. This insect has always been present in the British Columbia forests but at low numbers under natural conditions. When areas are cut over or burned and then replanted the weevil shows a marked increase in numbers and causes extensive losses by feeding on planted seedlings. The solution to this problem appears to be one of management. Practical measures of control which will be tested are delayed slash burning and more timely planting to avoid weevil attack, and the use of nurse crops to divert the weevils from valuable planted seedlings. A severe outbreak of sweetfern blister rust has been discovered in Bishop and Monterey pine plantings on Vancouver island. This rust occurs on native pines in the region but has never been destructive. The discovery makes doubtful the success of exotic pines in this area and future plantings have been suspended until more is known about the disease. Precautionary measures have been taken to prevent introduction of the rust to regions of the world where Bishop and Monterey pines are native.

Damage to young Douglas fir plantations as a result of browsing by heavy deer populations has been reported to the Department of Forestry by industrial foresters. At the request of the British Columbia tree farm licence committee, the Department of Forestry has initiated a co-operative study, which showed that extreme damage occurs only in small local areas, such as watersheds, where hunting is not permitted. This damage can be found especially throughout tree farm licence areas in southern Vancouver island. Nevertheless, even in areas of heavy damage, the predicted losses in growth are not sufficient to warrant expensive control measures, since they indicate a reduction of only 3 per cent in volume production during an 80 year rotation. Long term studies of browsing damage are being maintained to permit assessment of any changes in trends.

Mortality in fall plantings of Douglas fir seedlings has recently been reported. The Department of Forestry has assigned a tree physiologist to the study of planting stock in an effort to provide basic information on plant-water relationships, root growth, and transpiration patterns of this species. This information will assist in developing improved planting methods and reduction in this mortality.

(Translation):

*C.N.R.—CRITERIA USED IN APPOINTMENT OF SENIOR OFFICERS

Question No. 1,044—**Mr. Gregoire:**

What criteria does Mr. Gordon use in making appointments to the 28 senior positions in the Canadian National Railways?

Mr. Balcer: Mr. Speaker, the management of the Canadian National Railways informs us that the information concerning that question was given at the hearing of the sessional committee on railways, air lines and shipping.

*C.N.R.—REQUIREMENTS FOR PROMOTION OF FRENCH CANADIANS

Question No. 1,045—**Mr. Gregoire:**

What qualifications does the management of C.N.R. require in assessing French Canadians for promotions to the 28 senior positions in the company?

Mr. Balcer: Mr. Speaker, the management of the Canadian National Railways informs us that the information concerning that question was given at the hearings of the sessional committee on railways, air lines and shipping.

C.N.R.—QUALIFICATIONS AND SERVICE OF SENIOR OFFICERS

Question No. 1,046—**Mr. Gregoire:**

What was the length of service with the C.N.R., the qualifications and the experience of the 28 senior officers including those whose names do not appear in the Canadian Who's Who, namely: Messrs. J. W. Demcoe, vice president, transportation and maintenance; H. C. Crayston, vice president, Atlantic region; J. A. McDonald, vice president, St. Lawrence region; G. R. Graham, vice president, Montagnes region; R. T. Vaughan, secretary of the company; J. R. White, general manager, telecommunications; J. C. Kenkel, European general manager; H. M. Blaiklock, general manager, real estate; S. S. Chambers, general manager, hotels; E. A. Springs, director of investigation; E. J. Denyar, treasurer of the Canadian National Railways?

Mr. McBain: The management of Canadian National Railways advises as follows:

The policy of the management on the questions which have been asked has been explained many times, and particularly in reply to question No. 344 of the session of the 24th parliament, when it was pointed out that it is not the management's policy to supply information from confidential files on officials or employees; this policy has met with the approval of the sessional committee on railways, airlines and shipping. Appointments are the result of judicious appraisal of the competence and experience of incumbents.

The mean length of service of the persons involved is 35 years.

(Text):

TRINITY BAY, NFLD., BREAKWATER

Question No. 1,049—**Mr. Tucker:**

Has the government received a petition from the fishermen of Melrose, Trinity Bay, Newfoundland, for the construction of a breakwater and, if so, what action is contemplated?

Mr. McCleave: In March, 1961, a petition put forward by the "voters of Melrose" in favour of improved harbour facilities including a breakwater, was received. The proposal was investigated, but it was not felt that it could be justified. No action is contemplated at present.

EXPERIMENTAL AND ILLUSTRATION STATIONS, NORTHWEST TERRITORIES

Question No. 1,052—**Mrs. Hardie:**

1. At what locations in the Northwest Territories does the government conduct agricultural experimental stations and agricultural illustration stations?
2. At each station where weather statistics are kept, how many frost free days were experienced in 1960 and 1961?
3. What was the estimated value of agricultural production in 1961?
4. Has the government a program to assist those who are engaged in farming in the Northwest Territories and, if so, what is the nature of such program?

Mr. Jorgenson: 1. The government of Canada is conducting agricultural research work at (a) the experimental farm located at Fort Simpson, N.W.T., and, under the direction of this farm, at Inuvik, N.W.T. (b) Off-station experimental work is also conducted at Hay River, N.W.T., under the direction of the experimental farm at Fort Vermilion, Alta. There are no formal experimental project farms (formerly called illustration stations) located in the Northwest Territories.

2. The number of frost-free days were as follows: Fort Simpson—116 and 109; Inuvik—97 and 42; Hay River—107 and 110, in 1960 and 1961 respectively.

3. There are no available statistical data on that subject.

4. The normal facilities and programs of the department, which are applicable, are available to assist those persons engaged in farming in the Northwest Territories. For instance officials conducting the work referred to in (1) above are available to offer advice and counsel; the provisions of such acts as the Farm Credit Act, the Animal Contagious Diseases Act and the Agricultural Rehabilitation and Development Act are available.

DOMINION BUREAU OF STATISTICS, MONTREAL—NEW EMPLOYEES

Question No. 1,054—**Mr. Dupuis:**

Since June 1962, have new employees been hired for the dominion bureau of statistics in Montreal and, if so, who are these persons and what are the functions of each?

Mr. Nesbitt: Since June 1962, the following new employees have been hired by the dominion bureau of statistics in Montreal:

Frezza, Vincent—Field representative carrying out field and office work in connection

with the labour force survey, special surveys, collection of business reports and other activities.

Roux, Bernard J.—Same duties.

Simard, Miss Lucienne—Stenographer in the regional office.

R.C.A.F. STATIONS IN CANADA

Question No. 1,055—**Mr. Dupuis:**

1. How many R.C.A.F. stations are there in Canada?
2. Where is each one situated, and what is the name of each one of its officers?
3. What are the names of those who are proficient in the two official languages of the country?

Mr. Harkness: 1. 73.

2 and 3. It is not departmental policy to make public lists of all establishments in Canada of a particular service giving the precise locations.

DOMINION BUREAU OF STATISTICS, MONTREAL—EMPLOYEES DISCHARGED

Question No. 1,058—**Mr. Lachance:**

1. Since June 1962, have any employees of the dominion bureau of statistics in Montreal been discharged on account of the austerity program and if so, what are the names of these employees?
2. Is it the intention of the government to re-employ these persons and, if so, at what time?

Mr. Nesbitt: 1. No employees of the dominion bureau of statistics in Montreal have been discharged since June, 1962.

2. See 1 above.

CAPILANO INDIAN BAND, B.C.—LEASES OF PROPERTY

Question No. 1,059—**Mr. Berger:**

1. Have any leases of foreshore or other property been granted by the Capilano Indian band of British Columbia during 1960, 1961 or 1962 and, if so, in each case to whom were the leases granted, how much property was leased, what rental is being paid, and to whom?
2. Are any applications or proposals for leases of foreshore or other property of the Capilano Indian band of British Columbia presently under consideration?

Mr. McGee: The answers to both parts of this question are contained in the reply given to question No. 938.

Although there is no Capilano Indian band, there is a Capilano Indian reserve which is owned by the Squamish Indian band. The information given in reply to question No. 938 includes details of the following leases which apply to the Capilano Indian reserve.

Lessee	Acreage	Annual Rent	Rent payable to
Avalon Motor Hotel	Advertising sign	$ 200.00	Band
T. Eaton Co. Ltd.	15.98 acres	32,039.90	Band
Melvin P. Jacobs	.25 acres	540.90	Constance L. Band
Park Royal Shopping Centre	25.70 acres	46,106.60	Band
Routledge Gravel	2.57 acres	2,000.00	Band

USE OF R.C.A.F. BASE AT MONT JOLI

Question No. 1,065—**Mr. Legare:**

1. Following the accident which occurred at the air base at Bagotville, has the Department of National Defence considered putting Mont Joli airport to a greater use?
2. Has the department considered the possibility of attaching a squadron of the Royal Canadian Air Force to the base at Mont Joli and, if so, what decision has been taken in this regard?

Mr. Harkness: 1. No.

2. In June, 1958 and in October, 1959, representations were made requesting an R.C.A.F. squadron be transferred to Mont Joli on a permanent basis. The feasibility of this proposal was studied and it was concluded that there was no operational requirement for such a transfer.

*EFFECT OF ATOMIC TESTS ON STRONTIUM 90 LEVEL

Question No. 1,066—**Mr. Rynard:**

1. Does the world health organization or any other international agency make a continuing study of the effect of atomic tests on the level of strontium 90 in the atmosphere and, if so, what have been the results and are there areas in the world where the level of strontium 90 has increased to the extent where it is a menace to life and health?
2. Is Canada or any international agency investigating preventive measures that could be taken to minimize the effects of fall-out by such means as the lotion reported to have been developed in Finland and capable of absorbing radioactive material from the body surface?

Mrs. Casselman: 1. Various national and international agencies such as the world health organization and the international atomic energy agency are studying the effects of atomic tests. World wide data are compiled and studied by the United Nations scientific committee on the effects of atomic radiation which published its second report in September, 1962. So far as is known there are no areas in the world where the level of strontium 90 from atomic tests has increased to the extent where it is a menace to life and health.

2. Many groups in various countries are actively engaged in research programs designed to determine the suitability of various

methods in minimizing the effects of radioactivity from fall-out or any other source. In the case of fall-out consideration is being given to methods of reducing the contamination of food supplies by modifying agricultural practices and treatment of food products, and also to methods of reducing the amount of contamination retained in the body. Work along these lines is being done in Canada.

*MEETINGS OF MINISTERS WITH NORAD OFFICERS

Question No. 1,067—**Mr. Matheson:**

1. Has the Secretary of State for External Affairs ever visited command headquarters of NORAD?
2. Has the secretary of state ever met in conference with the senior officers of NORAD and, if so, when?
3. Does the secretary of state have any plan to visit NORAD headquarters or to meet with its senior officers?

Mr. Green: Mr. Speaker, the answer to each part of this question is no.

NARCOTICS ADDICTS AMONG WOMEN PENITENTIARY PRISONERS

Question No. 1,069—**Mr. Matheson:**

1. What percentage of the women serving time in penitentiary during the year ended March 31, 1962, suffered a history of addiction to narcotics?
2. What facilities are now available to cure penitentiary inmates of addiction, what is the nature of treatment and the degree of success achieved?

Mr. Bell (Saint John-Albert): 1. 64 per cent.

2. Both the psychiatrist and the psychologist at the institution have been giving psychotherapy to these drug addicts, to reinforce their resistance to the habit and to give them insight into the reasons for taking the drugs. Some tranquilizing drugs have been used to allay the anxiety of certain of the inmates. It is difficult to assess the degree of success as no follow up of inmates is made after they are released. However, in drug addiction, as in the case of alcoholism, relapse is frequent.

RESEARCH STUDIES ON CRAMBE PLANT

Question No. 1,071—**Mr. Martin (Essex East):**

1. Is the Department of Agriculture doing any research or carrying on any studies in connection with the European plant of the mustard family known as crambe, with a view to its growth and field testing in Canada and its possible use in the (a) extraction of oil for use in the manufacture of synthetic fibres, detergents and plastics, and (b) extraction of oil for use as an emergency fuel for illumination?
2. Has the department received any reports or other information on advance field testing of this crop by the department of agriculture in the United States to determine the areas best suited for production of this plant in that country?
3. Are any studies or tests of this sort under way in Canada to determine areas best suited for production and temperature and moisture best suited for it?
4. Will the minister undertake to have studies made to determine whether this plant could be used either as an irrigated or dry land crop?

[Mrs. Casselman.]

Mr. Jorgenson: 1. Yes. Experimental plantings of crambe have been carried by the research branch of the department since 1954. More extensive yield trials have been conducted in the prairie provinces since 1958. The oil and the meal of crambe have been studied and the chemical properties are known. The oil has a high percentage of erucic acid, a feature which makes it useful for industrial processes.

The research branch is presently increasing seed of two selections of crambe to obtain amounts sufficient for commercial tests on both the oil and the meal.

2. Yes. The data available in the United States are relatively limited and represent only exploratory experiments to date.

3. Yes. Tests have been conducted in both western and eastern Canada to determine the adaptability of crambe to Canadian conditions. This species appears to be adapted to the brown soil areas of the prairies and, under these conditions, it will yield more seed per acre than rapeseed.

4. Studies have been completed and others are in progress to determine the most suitable areas of production for this species. Tests are being conducted on both irrigated and dryland sites. The information presently available indicates that crambe is more tolerant to drought than rapeseed.

*UNEMPLOYMENT INSURANCE FUND BALANCE

Question No. 1,074—**Mr. Munro:**

What was the credit balance in the unemployment insurance fund as of November 30, 1962?

Mr. Grafftey: Mr. Speaker, the answer to this question is that the figures are presently being compiled and should be made available on or about December 17 or 18, 1962.

*INCREASE IN FAMILY ALLOWANCES

Question No. 1,075—**Mr. Gagnon:**

Does the government intend to increase family allowances payments in the near future?

Mrs. Casselman: Mr. Speaker, as this is a matter of government policy any announcement would be made by the government in the usual manner.

*UNEMPLOYMENT INSURANCE BENEFITS TO WORKERS RETURNING FROM MAINE

Question No. 1,076—**Mr. Gagnon:**

Will Canadian workers engaged in work in the state of Maine be eligible for unemployment insurance next spring as a result of arrangements being made between Canada and the state of Maine?

Mr. Starr: It is expected that a meeting between the Maine employment security

commission and the unemployment insurance commission will take place some time in January, 1963, regarding an agreement between the state of Maine and Canada respecting unemployment insurance. Until such time as this meeting is held and negotiations completed, I am unable to say what the outcome might be.

*MARKETING OF ONTARIO FLUE CURED TOBACCO

Question No. 1,081—**Mr. Honey:**

What action, if any, has the government taken with reference to the request of the Ontario flue-cured tobacco growers' marketing board that an agreement be entered into between that board and Her Majesty the Queen in right of Canada under the provisions of the Agricultural Products Co-operative Marketing Act for the marketing of flue-cured tobacco produced in the province of Ontario during the year 1962?

Mr. Jorgenson: Mr. Speaker, this matter is under consideration.

*GRANT TO CRAWLEY FILMS LTD., OTTAWA

Question No. 1,092—**Mr. Marcoux:**

Is Crawley Films Limited receiving an annual grant of $50,000 from the government?

Mr. McGee: Mr. Speaker, the national film board advises as follows: No.

*C.B.C. SELECTION OF COMMENTATORS

Question No. 1,095—**Mr. Marcoux:**

Who is directly responsible for the selection of commentators for "Viewpoint" and "Commentaires" programs respectively, broadcast on the English and French networks of the C.B.C.?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation as follows:

The selection of commentators, as of participants in all other programs, is the sole responsibility of the Canadian Broadcasting Corporation. However, the two series referred to are in the program area of public affairs; and speakers are invited by members of the public affairs department of the English networks or the department of adult education and public affairs broadcasts of the French networks, under the general direction of the management and program direction of those two networks.

(Translation):

C.B.C., MONTREAL—RENTAL OF STAGE SETS

Question No. 1,096—**Mr. Marcoux:**

Is it the policy of the C.B.C., in Montreal, to rent commonly used stage set items and, if so, has this policy been found to be more economical than purchasing such items outright?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation that the policy followed in some instances is to rent staging items, while, in others it is considered to be more economical to construct or purchase outright. All three methods are used depending on which is the more economical.

(Text):

PAYMENT OF ACCOUNTS BY NATIONAL FILM BOARD

Question No. 1,097—**Mr. Marcoux:**

1. What is the average period of time between the receipt by the national film board of accounts from production companies and their payment?
2. Has any action been taken by the government to hasten the payment of such accounts?

Mr. McGee: The national film board advises as follows:

1. The board deals with production companies in the following areas:

(a) Production of motion picture film,

(b) Purchase of motion picture prints,

(c) The provision of motion picture services.

An examination of the last two years' transactions reveals that the average period of time between the receipt by the board of accounts from production companies and the payment thereof is:

(a) Production of films—an average of 16 days (this leaves out those instances where the terms of the contract have not been met by the producer and further correspondence is necessary. In certain instances matters have to be referred to third parties, i.e. government department sponsors).

(b) Purchase of prints—the average time is 5 days to 2 weeks. The 2-week time period may be necessary when matters may be referred again to third parties, i.e. sponsors.

(c) Motion picture service—the average time is one month. Such services are subject to subjective judgment and must be approved by the production personnel involved before clerical routine can begin.

2. It is felt that the payment of accounts is effected within a reasonable amount of time in view of the nature of the business transacted.

NATIONAL FILM BOARD PRODUCTION OF COMMERCIAL FILMS

Question No. 1,098—**Mr. Marcoux:**

Does the national film board produce commercial films for business firms and, if so, what is the authority for the production of such films?

Mr. McGee: The national film board advises as follows: No.

*COMMITTEE ON PESTICIDES IN AGRICULTURE

Question No. 1,103—**Mr. Haidasz:**

1. Has a national committee on pesticides in agriculture been formed in Canada?

Questions

2. Have any recommendations of this committee been reported and, if so, what are these recommendations?

Mr. Jorgenson: 1. A national committee on pesticide use in agriculture has been formed as a subcommittee of the national co-ordinating committee on agricultural services. The national co-ordinating committee consists of federal and provincial deputy ministers of agriculture and deans of agricultural colleges. The subcommittee on pesticide use is composed of representatives of the departments of national health and welfare, northern affairs and national resources, and agriculture; agricultural colleges, provincial departments of agriculture, and the Canadian chemical industry.

2. Recommendations of the committee reported to the national co-ordinating committee on agricultural services form a basis for a co-ordinated approach to pesticide use in Canada for the guidance of the federal and provincial departments of agriculture. To date these have pertained to:

(a) The co-ordination and dissemination of available information on pesticide use,

(b) principles and criteria which may be employed in drafting local recommendations for pesticide use, and

(c) the need for additional research on pesticides and their use.

*NUCLEAR ATTACK—EVACUATION OF HOUSE OF COMMONS

Question No. 1,104—**Mr. Haidasz:**

Has the federal government an evacuation plan for occupants of the House of Commons in the event of nuclear attack on Ottawa and, if so, what are the specific details of this plan?

Mr. Diefenbaker: No. The plans for such persons apply only to those who have specific wartime emergency responsibilities. Others are expected to follow the directions given to Canadians generally.

KINGSTON, ONT.—RESTORATION OF CITY HALL AND WATERFRONT

Question No. 1,110—**Mr. Benson:**

1. Have representations been received from any person or group of persons in Kingston, Ontario, concerning the expenditure of centennial celebration funds for the restoration of Kingston city hall and waterfront?

2. What consideration has been given to these representations?

3. What action is planned in this regard?

Mr. Diefenbaker: 1. Yes.

2 and 3. The municipal authorities were informed that the city's brief is under active study and that they would be advised when a decision was reached.

[Mr. Haidasz.]

QUESTIONS PASSED AS ORDERS FOR RETURNS

DEVELOPMENT AND SALE OF VARIABLE DEPTH SONAR DEVICE

Question No. 1,035—**Mr. MacEwan:**

1. What agency or board of the government perfected the anti-submarine device known as variable depth sonar?

2. When was the device first used in ships of the Royal Canadian Navy?

3. How does V.D.S. rank with similar anti-submarine devices used by other navies?

4. What company manufactures the device?

5. What are the names of the subcontractors in the manufacture of V.D.S.?

6. Has any attempt been made by the government through the Department of Defence Production to sell V.D.S. to other NATO countries and, if so, what are the names of the countries and the results of such attempts?

7. Is the government through the Department of Defence Production, continuing its efforts for further sales to NATO countries and, if so, to what countries?

*CANADIAN CONTRIBUTION TO FOREIGN AID

Question No. 1,037—**Mr. Brewin:**

1. Have any requests been received from the United Nations or any of its agencies for a contribution in foreign aid from Canada equivalent to one per cent of its national income and, if so, what has been the answer of the government to any such request?

2. Has the United Nations or any of its agencies communicated to the government of Canada, goals recently adopted, for a decade of development and, if so, what are such goals, and what attitude has the government of Canada taken to them?

3. Has the government received from the United States agency for international development any requests for an increase in donations for economic aid to underdeveloped countries?

4. Has the organization for economic co-operation and development urged Canada to reassess its aid program, and what action, if any, has the government taken about it?

5. Have other economic aid institutions or specialists outside of Canada called for increased donations by Canada to underdeveloped countries and, if so, who are they, and what is the nature of their requests?

Mr. Green: Return tabled.

BOUNDARY BAY AIRPORT, VANCOUVER

Question No. 1,041—**Mr. Laing:**

In reference to the property commonly known as Boundary Bay airport (a) what acreage is involved in this property (b) how many (i) airdromes (ii) other permanent buildings are located there (c) what has been total capital cost of land, buildings and runways since 1940 (d) how many miles of concrete and asphalt runways are installed (e) are the runways still suitable to carry planes of the type and weight for which Pitt Meadows airport is being prepared (f) to what use are (i) the land (ii) airdromes (iii) other permanent buildings, now being put (g) are there any army operations there that could not be economically moved to another site (h) would small planes there present any hazard to operation of Vancouver international airport (i) what was total return in 1961 of rental of the property for farm use?

WEYMONTACHIE INDIAN RESERVE—EXPENDITURES

Question No. 1,063—**Mr. Laprise:**

1. How much has been expended by the federal government on the Indian reservation at Weymontachie (near Sanmaur) each year since 1955?

2. What is the name of the firm or firms which supply this Indian reservation?

MAN HOURS AND LABOUR CONTENT IN VARIOUS COMMODITIES

Question No. 1,072—**Mr. Laing:**

What is (a) man hours of work (b) value of labour content, in each $10,000 of production of the following items in Canada: (i) automobiles (ii) wheat (iii) milk (iv) canned fruits and vegetables (v) house building (vi) oil at well-head (vii) farm implements (viii) average lead-zinc production (ix) newsprint (x) plywood (xi) herring for reduction (xii) canned sockeye salmon?

DETAILS RESPECTING CANADIAN SATELLITE ALOUETTE

Question No. 1,073—**Mr. Matheson:**

Following the successful launching of the Canadian satellite Alouette from the Pacific missile range on September 29, 1962:

1. To what extent have the measurement and telemetry systems in the satellite operated successfully since launching?

2. What new scientific information has so far been obtained from an analysis of the data received from the satellite?

3. How many Canadian scientists and engineers were employed on the design, development, and testing of this satellite, and for what period of time?

4. What steps have been taken by the government through its trade commissions and other avenues to publicize this achievement outside Canada?

5. Are additional satellite experiments planned by the defence research board or the national research council and, if so, at what time may the next launching be expected, and what functions will these future satellites be designed to perform?

*SPECIAL LIVING ALLOWANCE, ARMED FORCES, NFLD.

Question No. 1,087—**Mr. Batten:**

1. Is there a special living allowance paid to members of the Canadian armed forces stationed in certain areas in Newfoundland and, if so, what are the names of these areas?

2. What was the amount of this allowance on January 1, 1962?

3. Has there been any reduction in this allowance since January 1, 1962 and, if so (a) how much was the reduction (b) at what date was the reduction effective?

4. Are any further reductions in this allowance contemplated?

Mr. Harkness: Return tabled.

EXPERIMENTAL USE OF LYSERGIC ACID DIETHYLAMIDE

Question No. 1,091—**Mr. Matheson:**

1. Were experiments conducted at the British Columbia penitentiary with the drug lysergic acid diethylamide and, if so, over what period of time, and with how many prisoners?

Inquiries of the Ministry

2. What results have been obtained in the cases of (a) alcoholics (b) drug addicts (c) sexual perversion prisoners and (d) obsessive compulsive prisoners?

3. What results have been reported to the food and drug directorate, department of national health and welfare, by research clinics with respect to the usefulness of L.S.D. in the treatment of alcoholism?

4. What harmful results attributed to L.S.D. prompted its withdrawal by the food and drug directorate?

5. Have communications, protesting the decision to withdraw lysergic acid diethylamide from sale or distribution, been received from psychiatric or research institutions, medical groups, or physicians and, if so, how many?

COST OF LIVING ALLOWANCE TO ARMED FORCES AND R.C.M.P., NFLD.

Question No. 1,105—**Mr. Tucker:**

1. What rates of special allowances were paid to military personnel and R.C.M.P. to offset the cost of living in the province of Newfoundland in 1948?

2. What were the rates of such allowances in 1952, 1956, and 1962?

POPULATION AND ACREAGE, MIRAMICHI INDIAN AGENCY BANDS, N.B.

Question No. 1,114—**Mr. McWilliam:**

1. What is the total population and number of families residing on each of the Indian reserves of the Miramichi Indian agency located in Northumberland county, New Brunswick?

2. (a) What is the acreage held for each of the Indian reserves of Red Bank, Burnt Church, and Eel Ground in Northumberland county, New Brunswick, where are these tracts of land located, and what is the respective acreage (b) what portion of these lands, by individual reserves, is considered productive for saw-logs, pulpwood or other forest products (c) what are the quantities of forest products produced off these lands, by individual reserves, for each year 1955 to 1961 inclusive?

(Translation):

AIRPORTS

DORVAL—TRANSPORTATION BETWEEN AIR TERMINAL AND MONTREAL

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I should like to put a question to the Minister of Transport.

Has the minister received a brief from the chamber of commerce of the Montreal district with regard to the means of communication between the Dorval air terminal and the city of Montreal? Does the minister's department intend to put those recommendations in effect?

Mr. Balcer: Mr. Speaker, I have not received the brief in question, but I read in the *Gazette* an article in which some points were raised concerning the means of communication between the city of Montreal and the Dorval air terminal. I must assure my hon. friend that all the suggestions made by the Montreal chamber of commerce will be fully looked into.

Inquiries of the Ministry

(Text):

UNEMPLOYMENT INSURANCE

CHANGE IN SYSTEM OF PAYMENTS TO BIWEEKLY BASIS

On the orders of the day:

Mr. John R. Nicholson (Vancouver Centre): I wish to direct a question to the Minister of Labour. In view of the change made by the unemployment insurance commission in its system of claims payments from a weekly to a biweekly basis, will claimants who appear this week at commission offices have to wait until after Christmas for their next unemployment benefits?

Hon. Michael Starr (Minister of Labour): I have received from the unemployment insurance commission the following report. Claimants who report this week and who would normally report on December 24 or 25 will report and be paid on December 21 and 22. Those who would report on December 26 will report on December 27.

PRINTING AND BINDING OF GILL COMMITTEE REPORT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, on Friday the Secretary of State was good enough to say he would find out when the Gill report would be printed, bound and ready for distribution. Can he now inform the house about it?

Hon. G. E. Halpenny (Secretary of State): Not now, Mr. Speaker. I shall inquire and make a report.

TRADE

TOBACCO—INQUIRY AS TO MARKETING OF SURPLUS

On the orders of the day:

Mr. W. B. Nesbitt (Parliamentary Secretary to the Minister of Trade and Commerce): I should like to direct a question to the Acting Minister of Agriculture. Has the government taken any steps to assist in alleviating the serious situation in the tobacco industry?

Mr. Speaker: Order. The hon. member will recognize that a whole series of questions have been directed to the ministry on this subject. None of them has been answered, and a number of them were not accepted.

LUMBER—REFERENCE TO STATEMENTS BY U.S. SENATOR

On the orders of the day:

Mr. Arthur Laing (Vancouver South): I should like to direct a question to the Minister of Trade and Commerce. Is the government proposing to make some sort of objection to the most recent outrageous actions of Senator Wayne Morse in respect to the use of Canadian lumber in the United States?

Mr. Speaker: Order. I think the hon. member will recognize that he has expressed a considerable amount of opinion in his question. I do not know that any particular incident relating to a member of the legislature of some other country would call for a question at this time under those terms.

ELECTRICAL APPLIANCES—PETITION REQUESTING CERTIFICATION FOR SAFETY REQUIREMENTS

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): I should like to direct a question to the Minister of Trade and Commerce. Has the minister received a petition from the international association of electrical inspectors recommending in the interests of public safety that the federal and provincial authorities arrange to prevent the sale of electrical equipment and appliances not certified for safety requirements, and if so what action does he propose?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, I have not to my knowledge received such a brief.

(Translation):

PUBLIC SERVICE

INQUIRY AS TO SALARY INCREASES FOR CERTAIN CLASSES

On the orders of the day:

Mr. Lucien Lamoureux (Stormont): I should like to direct a question to the Minister of Finance. Following the statement he made a moment ago, could he tell us whether he will be in a position to announce a salary increase for postal, immigration and customs employees before the Christmas adjournment?

(Text):

Hon. George C. Nowlan (Minister of Finance): As I said in my statement earlier this afternoon, the salaries of this class are being reviewed by the civil service commission. Under the act the government can take no action in respect of such increases until it has received the recommendations of the commission.

ADMINISTRATION OF JUSTICE

REQUEST FOR STATEMENT ON PENDING EXECUTIONS IN TORONTO

On the orders of the day:

Mr. John R. Matheson (Leeds): May I direct a question to the Minister of Justice. Has the minister anything to report to this house in respect of two executions scheduled to take place tonight in Toronto's Don jail?

Mr. Speaker: Order. I think if the hon. member will look at citation 160 in Beauchesne he will see that his question is out of order.

[*Later:*]

Mr. Andrew Brewin (Greenwood): I wish to direct a question to the Minister of Justice. In view of the fact that the execution of two human beings is scheduled to take place in Toronto tomorrow, can the minister indicate to the house that an opportunity will be given to parliament to review the whole question of capital punishment at an early date?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I can give no such undertaking. Any hon. members who choose to introduce bills of course may do so subject to the rules of the house.

Hon. Paul Martin (Essex East): As a supplementary question—

Mr. Brewin: I wish to put a supplementary question. Does the government—

Mr. Speaker: Order. One cannot just simply shoot out a supplementary question without being recognized, and the hon. member for Essex East was on his feet.

Mr. Martin (Essex East): In view of the reply given by the Minister of Justice can the minister say whether the government is giving consideration, as it indicated several years ago it would, to this question in a more final form than now appears to be the case?

Mr. Fleming (Eglinton): I think the hon. member for Essex East has overlooked the fact that parliament legislated on this subject just last year. The Criminal Code was amended by a bill which became chapter 44 of the statutes of 1961, which received royal assent on July 13, 1961, so the whole question has had fairly recent consideration and review by parliament.

Mr. Martin (Essex East): May I ask the minister will he take into account what the present Minister of Public Works had to say with regard to future intentions?

INDUSTRY

BRITISH COLUMBIA—REPORTED INTENTION TO CLOSE PROCESSING PLANT

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I should like to direct a question to the Prime Minister of which I gave notice this morning, and along with which I sent an accompanying letter and a photostatic copy of a press article. After having done that, I should like to ask the Prime Minister if his attention has been drawn to the fact that the California Packing Corporation, having taken over a two thirds interest in Canadian Canners Limited, food processors known by the Aylmer brand, are now threatening to close their major operation in British Columbia to the detriment of British Columbia farmers and industrial workers. Will the Prime Minister interest himself in this most urgent situation?

Right Hon. J. G. Diefenbaker (Prime Minister): I would point out that the control of Canadian Canners was sold to the California Packing Corporation in October, 1956.

Mr. Winch: May I ask a supplementary question, sir. I pointed that out to the Prime Minister, but I ask will he do something about their control now and their action in closing this major operation in British Columbia in 1962?

Mr. Diefenbaker: I am sure the hon. gentleman is aware of the fact that there is no power in the government to control that type of thing in any way. However, after receiving the question I did communicate with those concerned, and I am advised that several plants have been closed, most of which were in Ontario. The production has been enlarged by a concentration of activities in other existing plants. A considerable program of expansion resulted in these centres.

Furthermore it is stated, and this is the information that is given to me, that there is actually more processing of Canadian products being done today in Canada under this amalgamation than heretofore. There are now 16 plants operating throughout the country.

UNITED NATIONS

CANADIAN RESOLUTION RESPECTING SELF DETERMINATION FOR CAPTIVE PEOPLES

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Prime Minister when he proposes to carry out the undertaking given by him on more than one occasion during the last 12 months to present personally a resolution to the current United Nations assembly asking for the right of self determination for the captive peoples in iron curtain countries.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in order to answer this fully it would require some time, and I will give an answer tomorrow in this connection.

SOUTH AFRICA—IMPLEMENTATION OF SANCTIONS IN RESPECT OF APARTHEID

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to

the right hon. Prime Minister. In view of the fact that today is human rights day, would the Prime Minister inform the house whether the government is prepared to implement the resolution adopted by the general assembly of the United Nations on November 16, 1962 in respect of the policy of apartheid in the republic of South Africa and more particularly the economic sanctions recommended therein?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I understand that resolution has to go to the security council first before it can be given such consideration.

CANADIAN POSITION ON SANCTIONS AGAINST PORTUGAL

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): I wish to direct a question to the Secretary of State for External Affairs. Can the minister advise the house on Canada's position with respect to a resolution before the United Nations general assembly requesting sanctions against Portugal because of the situation in Angola?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, that resolution is under consideration this afternoon, and I am not in a position to report on it.

EXTERNAL AFFAIRS

INDIA—REPRESENTATIONS RESPECTING CANADIAN TRADE WITH CHINA

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs based on an exchange in this house on December 6, as reported at page 2375 of *Hansard*, between the hon. member for Red Deer and the Prime Minister. The former asked the Prime Minister:

> Has the government received any communication from the government of India expressing concern over the continuing volume of trade with communist China?

The Prime Minister replied:

> I can speak with regard to the situation only up to yesterday. However, no such message has been received.

My question is, is it not a fact that India has conveyed its concern, orally and otherwise, to the minister over our trade with communist China after India found itself under attack?

[Mr. Lewis.]

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I have discussed this question personally with the high commissioner for India to Canada. There have been no formal representations made.

(Translation):

NATIONAL DEFENCE

USE OF CANADIAN MONEY BY OVERSEAS FORCES

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Since my question concerns several departments, I will direct it to the Prime Minister. Could the Prime Minister confirm or deny the fact that Canadian servicemen who are stationed in Europe with their families have to use American money instead of Canadian currency to pay for their purchases in the stores?

Mr. Speaker: Order. The hon. member will no doubt agree that his question should be put on the order paper.

(Text):

INDIAN AFFAIRS

MANITOBA—ALLEGED EXPLOITATION OF INDIANS AND METIS

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to direct a question to the Minister of Citizenship and Immigration of which I have given him notice. Has the minister received a communication from the united steel workers of Thompson, Manitoba, pointing out the difficulties facing the Indians and metis living in that province? If so, can the minister indicate to the house whether any action is under consideration by the government to initiate an investigation into alleged exploitation of Indians in Manitoba?

Hon. Richard A. Bell (Minister of Citizenship and Immigration): Like all other members of the house, Mr. Speaker, I received a copy of a press release distributed on this subject. This organization has not previously communicated with me directly in my capacity as superintendent general of Indian affairs. The matter was first raised with me by the government of Manitoba last September, acting with their usual efficiency and expedition. The action then taken was thought to be efficacious, and this press release in the midst of an election campaign is the first suggestion of any deterioration in the position.

POWER

COLUMBIA RIVER—REQUEST FOR TABLING OF NEWSPAPER ARTICLE BY PUBLIC WORKS MINISTER

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Minister of Public Works. In view of the continuing interest in developments with respect to the Columbia river treaty, and in view of the interest created by the mention last Friday of an article on the Columbia by James G. Ripley, with a reply by the honourable the minister, in the September issue of *Engineering and Contract Record,* would the minister table a copy of this article and his reply to the same?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, this is not a public document and at the moment I do not have a separate copy of the article to table. I should think, however, that the publication in question is in the library or reading room of parliament where it would be available to hon. members. If it is not, then I imagine that if the matter were discussed with the joint committee on the library steps could be taken to make sure that the publication is available.

Mr. Herridge: I have a supplementary question, Mr. Speaker. Unfortunately there are dozens of members wanting to read the article, all at once, and there is only one copy available.

Mr. Speaker: Order. I do not think the hon. member may comment under the guise of a supplementary question.

(Translation):

SPORTS

INQUIRY AS TO GRANT TO BELLECHASSE CONSTITUENCY

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. Has Dr. Lachance, director of the sport commission in St. Damien de Bellechasse, requested a grant to assist sport activities in the constituency of Bellechasse?

Mr. Speaker: Order.

Mr. Dumont: Mr. Speaker, we have been told that Quebec did not ask for anything, and that is why I am asking that question.

Mr. Speaker: I do not believe it is necessary to indicate to the hon. member that his question is out of order. Indeed, such questions could be asked for all areas from the Atlantic to the Pacific, but that is not to be done on the orders of the day.

(Text):

BUSINESS OF THE HOUSE

INQUIRY AS TO REQUEST FOR INTERIM SUPPLY

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Minister of Finance whether he will be asking for interim supply one day this week?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, when I ask for it will largely depend upon the house leader, but I would expect I might be asking for interim supply this week. Certainly we shall have to obtain interim supply before the Christmas adjournment.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Friday, December 7, consideration in committee of Bill No. C-94, to provide for the establishment of an Atlantic development board—Mr. Flemming (Victoria-Carleton)—Mr. Chown in the chair.

The Chairman: Shall clause 1 carry?

Mr. McCleave: Mr. Chairman, when the committee rose the other day I was speaking about one great project that is being developed in the Atlantic provinces, the Prince Edward Island causeway. Today I would like to deal with a second project, one that will undoubtedly prove to be the biggest tourist attraction that we have or will have in Canada. This is the restoration of the fortress built by the French government in the early eighteenth century at Louisburg on Cape Breton island.

To illustrate the magnitude of the undertaking that is being carried out I would ask hon. members to visualize a building three quarters as long as parliament building itself and three storeys high. That will be one of the buildings to be placed on the restored fortress site.

Mr. Winch: What has that got to do with the bill?

Mr. McCleave: If the hon. member will compose himself in patience he will probably have an answer. I mention the restoration of Louisburg as an example of the type of project that can be developed in the Atlantic provinces. Within a radius of 800 miles we have a natural market of 80 million people

to attract to my native area, and I suggest that any project such as Louisburg, with the beneficial results it is bound to bring, should point the way to one of the functions of the Atlantic development board; that is to maintain liaison with those interested in tourist promotion in the Atlantic provinces and also with those interested in it here, namely the Department of Northern Affairs and National Resources, from the standpoint of administration of attractive places, the people looking after national historic sites and parks, and the Department of Trade and Commerce.

The hon. member for Vancouver East may not have very much interest in Louisburg, but in 1745 and again in 1758 events occurred there which were a turn of the hinge of Canadian history, for this mammoth fortress was the key to effective control of both the St. Lawrence waterway and the eastern seaboard of Canada and the United States. Furthermore, it has had something to do with the establishment of the riding from which I come, for Halifax was founded in 1749 as the English-Yankee counterpoise to the threat from Louisburg. I hope hon. members will play up in this house the $12 million investment that is going to be made in that portion of Cape Breton island, for it will bring with it the concomitants of a hotel development, a resource development, a boating development and other recreational developments, and will be one of the great boons not only to the island of Cape Breton but to the whole economy of the Atlantic provinces.

Broadening the theme somewhat, Mr. Chairman, one of the interesting things about development in the past has been the special allocation of $300,000 in the last three or four years to promote tourism for the Atlantic area in the nearby United States market. This has paid off very handsomely. As I said before, history has been one of our great natural resources in the maritimes, and since 1957 the government has certainly seized upon this resource and developed it with both skill and vigour. I have in my hands figures issued recently by the Minister of Northern Affairs and National Resources showing the number of visitors to various national parks and major historic sites across Canada. There are such significant increases as 80,000 more visitors to the Cape Breton highlands this year, 233,000 to the Anne of Green Gables country, 33,000 to Signal Hill in St. John's, Newfoundland, and almost 12,000 to the Halifax Citadel. Therefore I say that in my opinion the Atlantic development board and its members should keep in close liaison with the departments in Ottawa which administer or promote the great national historic sites that we have in abundance in Atlantic Canada.

Turning to another point, Mr. Chairman, if I may, there have been various suggestions as to how the problems of Atlantic Canada could be most usefully tackled. There has been a school of thought which advocates that this be done by a department of government. The hon. member for Burnaby-Coquitlam mentioned this the other day, and I believe during the election campaign the hon. member for Davenport proffered this as the solution of the Liberal party. I was very pleased to see another Liberal, the hon. member for Inverness-Richmond, reject outright the notion of establishing a department of Atlantic affairs. If any more backward step could be imagined in the House of Commons I hardly know what it could be. It would almost set us apart from the rest of Canada as either a special institution or a plantation, and I am sure the hon. member for Burnaby-Coquitlam and those other hon. members who advocate such a department will quickly switch their tune if they think of the pride of the people involved in my particular region, and come to appreciate that an advisory board is a much better approach to Atlantic problems.

I have already dealt with some of those things which I consider should be functions of the board. There is the development of those things which we have, for example our historical heritage, rather than following the will-o'-the-wisp things that we have not. There are at least two provinces in Canada which have tried the experiment of spending large amounts of taxpayers' money for the development of industry, with very little success. The trail of smoke from the bonfires of the taxpayers' money and the deficit operations of crown corporations in Newfoundland and Saskatchewan should surely indicate that government is not primarily at its best in the field of business. None the less, this does not prevent a board such as we are considering today from performing useful functions, particularly in its advice on measures and projects.

I have an interesting quotation from one of the spokesmen at the recent meeting of the Atlantic provinces economic council at Fredericton, Claude K. Howse, Newfoundland representative of the Iron Ore Company of Canada. Here is how he treats the problem:

> The board must be empowered to "advise on measures and projects" in both the public and private sectors. Certainly, provincial governments and their agencies should have access to the new federal agency to assist in the development of public facilities, such as transportation and power generation and transmission. A province should

also be able to apply to the board for assistance in the establishment of industrial estates or similar projects designed to encourage industrialization directly. But just as important, it will be necessary for the board to be in a position to encourage and assist the private sector, either directly or through the provincial governments, in new resource exploration and development, and in the location of cornerstone plants, in the development, in primary resource industry areas, of secondary industry related industrially or economically to the primary industry, and other enterprises which can have an impact on the course of economic progress.

I thought his words so sensible, Mr. Chairman, that I have taken the liberty of putting them into the debate. Finally, sir, there is a point which I hope the new board will consider. Again I return to the theme that we should build up those things that we have, rather than follow will-o'-the-wisp endeavours that will simply represent a costly wasting of taxpayers' money.

One thing I would like to see is the enhancement of one of the great industries in the Atlantic provinces; that is, the diversification of the Sydney steel plant operations. This would not only be of great benefit to Cape Breton island but it would also be of special benefit to a large industry in my own riding, the Halifax shipyards, which would be able to use—if my hopes in this respect are realized—rolled steel from an expanded Sydney plant for the many excellent ships it builds for public and private enterprise.

These are some of the thoughts that pass through my mind. I certainly will support this imaginative proposal. I have great faith in the Minister of National Revenue and the Minister of Finance. I know they will choose personnel who will transform the words we are considering this afternoon into a magic which will bring new hope and happiness to my area.

Mr. Crossman: Mr. Chairman, it is a sad coincidence that on the very day we are discussing in this house a matter pertaining to the Atlantic region it should become my duty to pay homage to the memory of one who spent a lifetime of tireless effort for the improvement of the maritimes and of New Brunswick especially.

On Saturday, December 8 Mr. Allison Dysart passed from this life into eternity. The belief that we are to be rewarded in the next life in the same measure as we have served in this one will, no doubt, be of great consolation to his family and his myriad friends. His passing closes another era in the history of New Brunswick. He was a native son of Kent county, the county I am proud to represent in this house. He was premier of New Brunswick from 1935 to 1940, and will always be remembered in the province as the first to bring in legislation for the comfort of the aged. I know that hon. gentlemen on all sides will join me in extending to Mrs. Dysart and the family our sincere sympathy.

It is not my intention to retard in any way the progress of legislation which could be of assistance to the Atlantic region, for we all know that assistance of any kind has been long overdue. I am in accord with the suggestions of some of the hon. members who have spoken that we should let the past rest in peace and look to the future, but it is inevitable that we take a good look at the present, also, and what we see in the maritimes is not so encouraging. Thank God we have in the Atlantic provinces a people who are hardy and industrious and who have an inexhaustible reserve of initiative in surmounting the obstacles in the way of making what we call a bare living. I am referring to the farmers and fishermen who make up a big part of our population of the maritimes. These are the people who work from daylight to dark to bring up and educate their families, and they are doing a herculean job of it considering the disadvantages they encounter.

As one who knows, Mr. Chairman, I say that the fishermen have to expose thousands of dollars worth of equipment and gear to the elements, not to mention their own lives, in order to eke out a living from the sea. Not infrequently they leave orphans and widows behind. We know that an indemnity insurance exists, with respect to boats and lobster traps, but such provisions as these do not cover the loss suffered by widows and orphans or comfort them in their distress. Another thing we must realize is this. It is extremely hard to persuade a man to pay insurance premiums when he is hard pressed for money needed by his own family.

One could go on and on when speaking of matters which concern the fishing industry, the condition of some wharves, the necessity for dredging channels to improve the fishing and shipping industries in the maritimes, and so on. When we note that the value of the lobster fishing alone to the Atlantic region is in the vicinity of $15 million a year, hon. members can realize how important the fishing industry is to this whole area.

It is a well known fact that if the population of the maritimes were larger the individual burden of taxation would be lighter. The construction and maintenance of highways in the rural areas, of which the Atlantic region is mostly comprised, costs as much per mile as it does in a thickly populated area. The same applies to all other public services. We must face the fact that our people, anxious to equip their children for

the future, must see that they get an education. The cost of schools and their staffing in rural areas puts a tremendous load on the municipalities which, in turn, must tax the farm properties to a point which makes it almost impossible for the farmers to survive. Some move away, and the additional burden falls on those who remain.

Until a few years ago the farmers were not too greatly affected by the situation, for they could always rely on income from pulpwood cut on their wood lots during the slack season. This furnished them with a ready source of cash, but unfortunately this market is no longer available. It is discouraging to reflect that something which is absolutely essential if our youth are to be prepared for the future is indirectly the cause of many of them having to migrate to the industrialized sections of upper Canada. The maritime provinces, the birthplace of confederation, made many sacrifices to make Canada a nation and are still contributing royally of their most cherished potential, their youth.

This is the situation which exists in most of the rural parts of the maritimes. What is needed to stimulate the economy and relieve unemployment is direct action on the part of this government by devoting a larger share of the capital expenditures to the construction of public works and harbours in the region, and by finding ways and means of lightening the tax load at the municipal level. If this were done the Atlantic development board would have time to develop long term measures toward a stable and prosperous economy in the region.

May I suggest that if this government had paid more attention to the requests and advice of our Atlantic premiers we would be well on our way. I think in all fairness we deserve more than a board which is to function in an advisory capacity only, based in importance on a maritime standard of remuneration.

Mr. Stewart: I want to say initially that I agree wholeheartedly with the comments of the hon. member for Halifax—the taller member for Halifax—in what he said about the development of the old fortress of Louisburg. My hope is that this will be a great and continuing tourist attraction. As the hon. member knows, we have many such sites in the Atlantic provinces to which tourists are coming in increasing numbers, and anything that this or any other government can do to make these sites more attractive is to be commended.

On Friday the Minister of National Revenue referred to the $3,000 proposed as an honorarium for the chairman of the Atlantic development board as a ridiculous figure, and announced his intention to move an amendment to change it. Mr. Chairman, this is an important point. The bill which is before us came to this house as a carefully considered piece of legislation. We may be sure that the minister weighed every provision and every phrase with the utmost care. In doing so he approved the figure of $3,000 as an appropriate honorarium for the chairman of this board.

I suggest that this figure is important to this committee, because it gives us a good idea of the government's opinion of the work to be done by the Atlantic development board. This board is not to be very active. It is presumably, to meet three or four times a year, and the government is fixing an honorarium commensurate with the activities of the board. Similarly, in fixing honoraria for the other members the government is giving due attention to its view of how active this board is to be, for it has assigned to those other members no remuneration whatsoever.

Now, sir, the minister has seen that this figure of $3,000 discloses the true nature of this board. Immediately he tries to becloud the fact with candour. He comes to this committee and says that this figure, of course, is "ridiculous." Moreover, by suggesting that the honorarium will be raised he now falls into inconsistency, for he has not yet proposed any honoraria whatsoever for the other members of the board. I do not know just how much the minister means to imply by his word "ridiculous", but if the chairman is to receive some such figure as $10,000 or $12,000, surely the other four members ought to receive payment also.

Last Thursday and Friday we were exhorted by the minister to be enthusiastic. I think only the hon. member for Queens-Lunenburg displayed what one might consider the proper degree of joy and thankfulness for this proposed legislation. Not even the hon. member for Halifax, in his balanced remarks just now concluded, came up to the level that the minister suggested.

We on this side, sir, believe that the minister is quite sincere in his zeal for this bill, yet I can assure you that in our expressions of disappointment we are equally sincere. This bill creates a part time board which is to study certain matters and advise an unspecified minister. Evidently the explanation of the misunderstanding is that our expectations were very different from the expectations of the minister. Our expectations were far higher than his. We expected more from this government than even he did.

As any member of this committee who has had any special reason to be interested in programs for surplus labour areas knows, in certain European countries such as Great

Britain, West Germany, France, Belgium, Denmark, Sweden and Italy there are under way important programs dealing with the problem of surplus labour areas. Four different kinds of regional development tactics or devices have been employed; loans, grants, tax incentives and government assistance in site improvement and plant construction. Of these four the first two, loans and grants, have been used most frequently and are apparently by far the most successful. Loans and grants are often used to supplement each other. A company will be given a loan at a very low interest rate for part of its capital needs. For example, in Belgium the interest rate is geared to the acceleration or deceleration of the national economy, so that the interest rate in a period of depression might be as low as 1 per cent. The other two devices, tax incentives and site improvements, have not been used so extensively. Indeed, only Great Britain and Belgium have used site improvement and plant construction to any considerable extent.

Now, sir, knowing that these methods have been tried in other countries, and knowing that a great deal of thought has been given in the United States to this matter of surplus labour areas, we had hoped that this government would come to this house, and eventually to this committee, with an elaborated program for the Atlantic provinces. However, we have not had such a program put before us, and I wish to assure the minister through you, sir, that the disappointment which we express is entirely genuine.

A fifth device has been mooted. I almost hesitate to mention it; I do not wish to arouse some members opposite, because I have noticed that this is a very delicate point with them. I refer to labour migration assistance. Whenever one mentions labour migration assistance, or indeed whenever one mentions the name of the hon. member for Davenport, one can generally count on an eruption from certain seats on the other side of the house. Unfortunately no one will rise to that bait now.

You may recall, sir, that in the report of the Gordon commission there is a suggestion on pages 412 and 413 that if various methods for dealing with labour surplus are not effective, then the government is to intervene to assist people in moving to towns and places where they may obtain employment. After a great deal of exclamation from campaign orators and from the government benches in this house, the government has finally decided that Mr. Gordon may have been correct after all. So we now find a bill before this house, Bill No. C-83, respecting industrial change and manpower adjustment, which provides that the minister may make an agreement—

> —to provide for the payment by Canada of a labour mobility incentive consisting of a contribution in respect of the cost incurred by such province, person or both, as the case may be, for the transportation of workers and their dependants to an area in Canada where employment is available.

The ultimate conversion of the government to the view expressed earlier by the hon. member for Davenport has been commented on in the press. I have in my hand an editorial from the Moncton *Transcript* which I think the committee will find entertaining. One paragraph says:

> The introduction of a "labour mobility" scheme to assist in the relocation of workers who become unemployed as a result of industrial changes is probably a worth while, but somewhat superficial attempt at tackling a problem which has particular application in the maritimes.
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> But beyond this there is the fact that the Progressive Conservatives, who are introducing the new legislation, were the party who criticized most vigorously a similar suggestion in the report of the Gordon royal commission.

Then the editor goes on to divert himself with speculation concerning the joy that this particular bill must give to the heart of the hon. member for Davenport. So, sir, labour migration assistance is a fifth method that has at times been used. It has not yet been used extensively. The principal country using it has been Sweden, but soon we will be able to add Canada to Sweden in this regard.

The minister has assured us that we should be happy with this board. Perhaps we should take him seriously, sir, for after all he knows more about the thinking of this government than we do. He knows more about how slowly it progresses in dealing with serious problems. If he comes to this committee and says, as he has, that this bill represents a great step forward in the thinking of the government, then I suggest we should believe what he says.

Mr. McCleave: Mr. Chairman, I merely want to clarify a remark I made in my earlier contribution. I misunderstood something that the hon. member for Vancouver East said and I should not like myself to be on record as suggesting that he has no interest in the maritime provinces. I regret that I made that statement.

(Translation):

Mr. Dumont: Mr. Chairman, I shall only say a few words to mention that this morning, I came across a large headline in the *Evangeline*, the newspaper from Moncton:

> Is the Atlantic board serious?

Indeed, after having heard the bombastic words and the numerous speeches made on the setting up of commissions and boards, we may wonder if those agencies are created to organize something which will merely

be a subject for discussion or something which will bring adequate revenues in the Atlantic provinces.

I suggest that the journalists are right in asking whether the board is serious.

The member who had the floor before me just referred to the dilatoriness of government agencies. Well, I have discovered in the Glassco report that not very long ago, under the Liberal government, works had been provided for at Port-aux-Basques. Here is an example of a completely abnormal situation:

> In accordance with the terms of union of Newfoundland and Canada, a freight and passenger steamship service is maintained between North Sydney, Nova Scotia, and Port-aux-Basques, Newfoundland. The program was initiated in 1951 and called for the construction of a ferry and docks and terminal facilities in each province. Three separate agencies of government and several firms of consulting engineers participated in this work which, as a result of a series of costly errors, was not completed until 1959. The ferry, when built, could not be docked at the newly constructed facilities at Port-aux-Basques. The final solution, reached after calling in an experienced adviser from the United Kingdom, required extensive dredging and channel rectification. The total costs exceeded $20 million.

At that time, we saw the tremendous importance of those commissions. And, of course, once again the companies were the ones to benefit from that situation whereas the individual has not been favoured. When we ask the government to increase family allowances, we are told there is not enough money. Nevertheless, the Atlantic development board will submit its recommendations, and if we have no money, if we have deficits of $700 million, how shall we be able to consider seriously in this house the recommendations of those agencies?

I am not against the development board, but I would like to see it bring about results. I am afraid that this board, which we are now allowed to discuss, will be like the various boards set up under the Liberals and that it will take eight years before it can be of any real benefit.

(Text):

Mr. Carter: Mr. Chairman, the one concrete thing about this bill we have before us is that it provides that a minister is to be designated to deal with the board and that the minister may refer to the board from time to time certain specific projects for study and recommendation. I should like to take a few minutes now to draw to the minister's attention two or three specific projects which would be of tremendous benefit to the economy of my own riding and also to that of the province of Newfoundland.

[Mr. Dumont.]

The first project I wish to bring to the minister's attention is the development of a free port or transshipment port at Mortier bay. This is a dream that is 50 years old. Recently a company has been formed and I understand that surveys have been made not only by the company but by a departmental committee and that already in the files of the Department of Public Works or some other department, probably the Department of Transport, there is information indicating that Mortier bay is a strategically situated focal point along the world's trade routes. I understand that the studies and surveys that have been carried out prove that the harbour is very satisfactory, and apparently all that is needed to bring this project into being is to bring together the commercial interests involved in such a way that they can get started on the project.

If this project came into being it would be a tremendous development that would benefit not only Newfoundland but all of Canada because it envisages goods being brought into Mortier bay, processed there and shipped out to other parts of the world. As I said earlier, the strategic position of Mortier bay makes this project feasible. I also understand that it has the blessing of our friends from the prairie provinces because the Hudson bay route association is most interested in having more wheat shipped through Churchill and stored at Mortier bay for transshipment. As soon as the new board comes into being I would ask the minister to refer this specific project to them for immediate study.

The second project I would ask the minister to refer to the board is the development of hydroelectric power at bay d'Espoir which is in my own riding. At bay d'Espoir we are fortunate in having a potential of half a million horsepower which can be developed at tidewater and the consumption of only 70,000 horsepower is required to make the project commercially feasible. A few years ago the project came within a hair's breadth of being realized but it was found impossible to get the companies having an option for this amount of power together at the right time. By the time the last person was brought into the agreement the first person who had wanted power withdrew from the project because of not being able to wait any longer, and that is why the development did not take place.

There is no doubt that the development of this power at bay d'Espoir would transform the whole economy of my riding and would be of tremendous assistance to the economy of the whole province. I hope the minister will refer this project to the board at once.

The hon. member for Halifax mentioned earlier the restoration of the old fort at Louisburg. I would suggest to the minister the board study a similar project, namely the restoration and development of Castle Hill at Placentia which is the old historic French capital of my province. I would recommend also the study of similar sites in the province. Such developments could be of great benefit to our tourist industry.

In this connection, I would ask the minister to have a study made of the feasibility of finding a more suitable terminal for Canadian National Railways. As the minister is probably aware, the eastern terminal is at Argentia, which is a military base leased to the United States authorities for a period of 90 years. We have been told that a new ferry is to be built which will ply between the east coast of Newfoundland and North Sydney in Nova Scotia. The Newfoundland terminal will be located at Argentia. There are many reasons why this is an unsatisfactory place for the terminal, not only for this particular ferry but for the whole coastal service operated by the railway along the south coast. I know that representations have been made to the government indicating that there are other sites which are much better suited to this proposal. Since our tourist industry is becoming of such importance, and since it ties in with the development of the fort at Castle Hill, I would suggest further consideration be given to this matter. Since the government actually owns the railway service in Newfoundland and the railway management would do what the government wanted in this respect, I would suggest that the minister have this board look into this matter of finding a more suitable terminal.

Before I resume my seat, I should like to support the representations made by my colleague the hon. member for Grand Falls-White Bay-Labrador in respect of the fishing industry which is still of major importance in my province and about which there is a new enthusiasm and a new effort being made to try to put it back on a sound footing. I think one of the main problems in connection with the fishing industry in the promotion of sales in various markets on the mainland. This is probably one other thing that can be looked into. I would remind the minister, too, that in all the years the Conservative party sat in opposition they were very strong proponents of a Canadian merchant fleet. I am one of those who believes that there is a place in our economy for a Canadian owned merchant fleet. This, too, I think is a project worthy of study by the development board.

Mr. McWilliam: Mr. Chairman, I know that the committee is anxious to get on with a clause by clause study of this measure. However, there are a few remarks I should like to make in connection with this interesting matter that is before us. I can assure you I will only take a very few minutes. Hon. members are familiar with the terms of the resolution, but I would remind them that the throne speech contained this paragraph:

> You will be asked to authorize the establishment of an Atlantic development board to advise on measures and projects that will promote the economic development of the Atlantic region of Canada.

The presentation of the resolution preceding Bill No. C-94 has been received with great fanfare in the daily press of the Atlantic region. Large type headlines on the front pages lauding this measure lead the public in the provinces by the Atlantic to believe it is a quick cure-all and to believe that all the economic ills of the area will be resolved forthwith. In this connection, it is realistic and responsible that a somewhat sober note should be injected into the public's mind. They should be reminded that great things will not be accomplished overnight. However, if this legislation does accomplish anything it would be to hold out the hope that eventually the situation will be faced and that improvements will follow. I think this is something the people of the maritime provinces will receive with rightful anticipation after many, many years, and they will hope that finally something will be done about their problems.

This Bill No. C-94 seeks only to set up a board which will provide the government with suggested projects for the improvement of the economy of the area. One might well ask, is this board so vitally needed as the public is being led to believe? The projects that are generally felt to be necessary to bring about a stable economy in the Atlantic provinces do not need to be related to the government or to the people in the maritime provinces by a board established under this bill. The necessary action to bring about improvement in the Atlantic economy can be taken by the government now. There is an abundance of data available compiled by APEC and other groups that can be used to lay the foundation for government action. This data has been available since APEC first started to function. What will a board comprised of a $3,000 a year chairman and five non-indemnified members produce that has not already been produced?

I noted what the minister said on Friday, that the amount of $3,000 was ridiculous and would be bettered, but he did not say by what amount. However, I believe that when you establish a board with a chairman receiving an indemnity of $3,000 a year, it

reveals the fact the government itself is not putting too much confidence in this board. Perhaps, however, the government feels someone who is not concerned about the remuneration will offer his services. The time required to set up this board and for the board to review the data already compiled will further delay government action on the Chignecto complex, the Northumberland strait causeway, the coal mining and fishing industries as well as other phases of the Atlantic economy. These areas require action now, action which only the government can take because of the expenditure of public funds required. What is needed is direct action to provide the public funds with which to commence some of these vital projects and improvements. Following that there can be a planned approach to the development of other projects in order to bring about improvements that are the inherent rights of the people of the Atlantic provinces.

We recognize that Bill C-94 will be approved and passed, but the people of the Atlantic provinces will have to wait to see what benefits will follow the setting up of this board. Personally I sincerely hope and trust that the benefits will accrue without undue delay.

As to the personnel of the board, it is suggested that it should be representative of all the Atlantic provinces and that its members will be fully qualified to advise in those fields in which our economy is lacking. Leadership by government is a most essential factor in achieving the desired results and this leadership should not be delegated to any board or commission. When suggestions or advice are sought by the government, then no delay should be tolerated in reaching decisions.

I am sure I express the hopes and desires of all people in the Atlantic provinces, and of other peoples in the confederation family, when I say there is a sound expectation that the basic economic problems of the area will at last be acted upon and their solution undertaken without further delay. No matter what the political aspects might be, it is not so important who solves these problems or how they are solved, but it is vitally important that their solutions be expedited in order to bring about equal partnership among all regions of Canada.

Hon. members who have already taken part in this debate have told of certain requirements which they feel are necessary in their individual constituencies. They have brought them to the attention of the minister, who in turn will bring them to the attention of the new board when it is constituted. In this regard I only want to mention one thing in particular with respect to the constituency of Northumberland-Miramichi.

I would ask the minister to bring to the attention of the board something that has been under study for some time past, and that is the deepening of the channel of the Miramichi river and the improvement of harbour facilities at the ports of Chatham and Newcastle. As a native maritimer I sincerely hope and trust that at long last we shall get something under way to bring about these things we need so vitally, and I am sure that the minister, who is also a native maritimer, will do his utmost to see that the desired end is achieved. I am one of those who believe that, irrespective of what a government does, it should be commended for those things that are beneficial.

In conclusion I wish to join with my colleague from Kent in expressing regret at the death of Judge Dysart, a former premier of the province of New Brunswick. I also join with him in extending condolences to the family of this great New Brunswicker who has passed on to his just reward after serving his province so well for so many years.

Mr. McGrath: Mr. Chairman, I listened with great interest to my hon. friend from Burin-Burgeo, as I did likewise to the speech of the hon. member for Grand Falls-White Bay-Labrador.

Mr. Martin (Essex East): Both excellent speeches.

Mr. McGrath: Both excellent speeches, as the hon. member for Essex East has interjected, and I would like to say a few words in support of the arguments advanced by my two colleagues from Newfoundland because I believe that in their own way, and in a very good and sensible way, they advanced very strong arguments in favour of the establishment of the Atlantic development board.

In his speech the hon. member for Burin-Burgeo mentioned two projects that he commended to the minister and asked that they be studied by the board, and I would like to refer to them briefly. He mentioned the establishment of a free port at Mortier bay. This is a project that has been under active promotion for the last several years. It has been studied by various agencies and its importance to the economy of Newfoundland and the Atlantic provinces generally cannot be underestimated. Here is where this new board could really do something worth while in undertaking a study of a project such as this and, at the same time, assimilating and co-ordinating the studies and promotions that have gone on before in connection with it. This project has been mentioned in the house on numerous occasions and I hope that the board, when it is set up, will give active study

to the establishment of a free port in Newfoundland which is, as I say, of vital importance not only to that province but to all the Atlantic provinces.

The hon. member for Burin-Burgeo also referred to the development of hydro power at bay d'Espoir, on the south coast of Newfoundland, and I believe these two projects are related. One is almost dependant on the other. If a free port is established at Mortier bay I believe it will mean the influx of small industries, the establishment of substantial storage facilities, elevators and so on, which would create a demand for additional hydro power that could be supplied by the development of hydro at bay d'Espoir. Then too, with the new techniques for the transmission of hydro power, I believe the development of bay d'Espoir holds tremendous possibilities.

The hon. member also referred to tourism, to the present terminal for the C.N.R. at Argentia, and to the use of this terminal as a terminal for the proposed new ferry which will operate between eastern Newfoundland and the mainland of Nova Scotia. I support the hon. member in these remarks because I believe that, before it is finally decided that Argentia should be the terminal for this all important ferry, further studies should be undertaken, and I think reference should be made to the board to make sure that the Newfoundland terminal for the ferry will be a maximum benefit to the promotion of the tourist industry in our province. I think the hon. gentleman will forgive me for saying the board should certainly give consideration to the advisability of having the eastern terminal closer to the city of St. John's and the concentration of population.

Speaking of tourism I believe the board can provide a tremendous service in co-ordinating efforts of various agencies such as the governments of the provinces, municipal governments, boards of trade and chambers of commerce, in addition to APEC, towards the general promotion of tourism and the promotion of specific projects that would be incentives to tourism. I believe there is a tremendous job to be done here, especially in my own province, and the greatest need is the need of coordination. Everyone seems to be going off in different directions and somebody must coordinate the efforts of all because tourism is very important to the three maritime provinces and to the province of Newfoundland where it holds tremendous possibilities.

In relation to tourism the hon. member referred to historic sites and the development of Louisburg in Cape Breton, and he spoke of the need for similar undertakings in the province of Newfoundland where we have many major historic sites. Among the historic sites to which he referred was Castle Hill in Placentia, the historic French capital of Newfoundland. I hope the board will undertake an active consideration of the advisability of developing this site and will recommend to the government that this type of site be developed. Certainly, as I said, not the least of such sites is the one located in Placentia.

My hon. friend from Grand Falls-White Bay-Labrador referred in his speech to the fishing industry and the service the board could provide in this particular area. This is a very important area. I am pleased to say the government of Newfoundland has of late been active in this regard. They called a convention of trades people, merchants, fishermen and like-minded people with a view to their coming up with recommendations to the government of the province toward the formation of a new policy on fisheries. The importance of the fisheries to the Atlantic coast of Canada is of course of tremendous significance. I feel that here is certainly an area where the board can really justify its existence by co-ordinating the efforts of various agencies, recommending projects to the government that would be of encouragement to the fishing industry, exploring markets for our fish produce, and of course looking for new markets, ways of improving those markets, and so on.

All these projects—and of course one could go on and name many others—are of tremendous importance to the general development of the Atlantic provinces. But I feel that what is of real importance is the fact that at long last we are about to set up a board which will give real meaning to the development of these various projects and will undertake to work with the very competent Minister of National Revenue, the minister from New Brunswick. I am sure that at long last some of these projects which have been talked about for many years now have a better chance of materializing because we are about to set up this Atlantic development board.

Mr. Batten: Mr. Chairman, I know there has been a good deal of debate on the first item of this bill and I will not delay the committee unduly, but I would like to indicate my support for this proposed board. I know that the board is going to be advisory in nature. In our part of Canada we have the Atlantic provinces economic council. This council has done a good deal of commendable research. It has been able to suggest topics that are important to the maritime and Atlantic provinces and I think at times they

have indicated the methods which should be adopted if these ideas are to be brought to fruition.

Perhaps one of the difficulties of the Atlantic provinces economic council is that there has been no vehicle whereby the ideas the council may have can be transmitted to the inner circle of government. Perhaps this board we are proposing will be the vehicle that will be able to do that; perhaps it will be sufficient to do the job that is required to be done. Personally I would like to see this board composed of members who are more firmly committed to the task in hand and with a little bit more executive authority than its members are given in this bill. However, when a body of men such as will compose this board turn their attention to the task that has to be accomplished in the Atlantic provinces I hope they will remember that doing what needs to be done in this area is not always a matter of doing something new. It may indeed in large part amount to improving what is already being done. I think there are many things going on in the Atlantic provinces at the moment that are not being conducted in a way that gives the most to the economy of that part of Canada. I hope this board will be able to make suggestions to various divisions of the economy so that these things that are being done will be done more effectively, not only for the people who are directly concerned but also for the area as a whole.

In the constituency from which I come we have a problem to which I hope the board will give serious attention. In 1941-42, during the early years of the second world war, the Americans came to the west coast of Newfoundland and there set up a tremendous air force base. Over a period of 15 or 20 years there was a great deal of construction work carried out there. It was obvious that while this large amount of construction work was going ahead men were going to be drawn from the fishing industry, from the farming industry and other small industries and would go into the construction field where good wages were to be earned. This was the position for a considerable length of time. However, it must have been obvious to all concerned that the time would come when this construction had to cease and the United States base would settle down to normal operations. We have now, on the west coast of Newfoundland, reached that position.

It is very easy, if a fisherman decides he is going to move from the fishing industry into some other type of work, for him to haul his boat up on the beach, lock up his nets and gear in a shed and move on. As I say, it is very easy to do that; but when the time comes for him to move back into the fishing industry the transformation is not so easy. Here in this section of Newfoundland—and I am referring particularly to the Port-au-Port peninsula—we have hundreds of men who left the fishing industry 20 years ago and worked on the construction of the base at Harmon field. Now that construction has finished and they have to go back to the fishing industry. The going back is rather difficult. To begin with, they do not have the money to set themselves up as individual fishermen. Then, of course, due to the fact that for a number of years there has not been as large a number of fishermen as there might have been, we do not have the fish firms set up there as they have in other parts of Newfoundland or indeed in other parts of Nova Scotia. Here is one problem of labour movement to which I hope this board will pay very serious attention.

While I am referring to the fishing industry, Mr. Chairman, I hope too that this board will pay particular attention to the northern part of Newfoundland. This is a section of Newfoundland where there is almost no industry other than fishing. A few years ago there was considerable employment in forestry—in the logging industry. Employment opportunities in this area have decreased, however, and the result is that here we have one of the few areas in Canada where men make approximately 100 per cent of their total income from fishing. I hope this board will pay particular attention to the problems these men encounter; some of them are peculiar to this particular region.

I believe there is a good deal which could be done in agriculture. Newfoundland is not agricultural country and I suggest it will never be an agricultural province in the sense that other parts of Canada are. Nevertheless, I think it is possible for Newfoundland to provide for itself larger amounts of agricultural products than it is doing now—products of the kind which are normally brought in at the present time from other parts of Canada or other parts of the world. On the west coast of Newfoundland there is a good deal of agriculture carried on mostly in the domain of small vegetables. In the last year or two we have been faced with a difficult problem there in the control of insects. How we are going to overcome this seems beyond the farmer and there is a real need for some expert assistance. The minister is familiar with the difficulty we encounter in the control of insects and forestry. That, of course, affects many more people. Nevertheless, the control of insects in the Robinson's area and the Codroy valley will require a good deal of research.

I do not believe any province such as Newfoundland is going to get very far with economic development until proper means of transportation are provided. Of the approximately 600 miles of trans-Canada highway in Newfoundland, almost 200 are in my own constituency. When we talk about the tourist industry these days we are talking, I think, about people who want to travel from one part of Canada to another by car. People like to come into an area and drive by car over roads which provide comfortable travelling—roads which enable them, too, to go from one place to another in as short a time as possible. One of the real problems in Newfoundland is the inability to complete the trans-Canada highway at an early date. I am one of those who believe—I said this when I was on the other side of the house, I have said it here, and now I say it again —that when the federal government of Canada decided to build the trans-Canada highway they should have decided, by agreement with the provinces, to build that highway from the Atlantic to the Pacific, to pay for it and maintain it. I think that is what should have been done. I do not think we are too far from the point when we shall be facing a real problem in the maintenance of the trans-Canada highway. Anyway, had the course I advocated been followed I suppose we would not have the trouble we are encountering in Newfoundland at the present time.

It is all very well to talk about the tourist industry in Newfoundland. I believe we have the potential for a great tourist industry. But if people wish to travel by car we have, first of all, to get them on to the island. At the moment there is only one ferry taking cars to the island, though a few cars can come by other boats. And when they get there they have to travel over roads that are not paved. So I would say to the minister that one of the problems which this board should consider in all seriousness is the question of being able to provide for the province of Newfoundland the same road transport facilities as are provided in most of the other provinces. I drive my own car from Corner Brook to Ottawa, sometimes more than once a year, and I have the opportunity to use the trans-Canada highway in some of the other provinces. I do hope the time is not too far distant when I shall have the privilege of driving over roads in Newfoundland which are paved as well as they are in the minister's own province.

Power development is another necessity if we are to promote the establishment of industry and particularly of small industries which, I think, are important to a province such as ours. I do not think we need a very large number of giant sized industries right across Canada. I think the background of the economy is provided by a large number of smaller businesses employing a few men here, a few there, and so on. But one of the prerequisites to such a development is electric power readily available at a low price. I was glad to hear the comments of my hon. friend from Burin-Burgeo and also from the hon. member for St. John's East who mentioned the development of power on the south coast of Newfoundland. There is, indeed, considerable power potential there to be developed and I think this is a project to which the board might well give serious and early attention.

I should like to say a word on vocational training, as it relates to this subject, but since we shall have an opportunity to discuss this matter on another bill which is before the house I shall refrain from speaking at any length at the moment. However, I believe that if industries of various types are to be developed, or if we are to expand the industries which are already operating in the province, we shall have to provide the particular types of training which are so important. In Ontario and in western Canada generally a good deal of technical training has been provided, I believe, for those who work on farms. We, in Newfoundland, need training of this type. Our fishermen will need a special type of training if they are going to earn a living, not as their fathers did, but as fishermen who must operate in modern times. I do hope the board will take an interest in these vocational training programs when it is considering the economic problems of Newfoundland even though other government agencies may be dealing more directly with this particular subject. I have some ideas on vocational training, which is closely allied to my own profession. I do not intend to state them now but I will take advantage of the opportunity which will arise later to say what I think should be done; particularly in the eastern part of Canada.

Mr. Granger: I hope I shall be forgiven, Mr. Chairman, for taking a few more minutes, but I shall try to be brief. I should like to express appreciation of the remarks made by the hon. member for St. John's East, the hon. member for Burin-Burgeo and the hon. member for Humber-St. George's, all of whom referred to matters which are of great interest to the province from which I come.

Tourism is extremely important to us. I doubt very much if most of us can visualize the tremendous potential which it has. No doubt it would be difficult for any of us to speak objectively of the attractions of our own provinces, but suffice it to say that when

we assert that Newfoundland offers delightful attractions we are only quoting what so many visitors have told us. But in order for tourism to be the industry which it can be, it is of overwhelming importance that the trans-Canada highway be completed in Newfoundland. The high cost of building this road is placing a very great strain on the government of Newfoundland, and I would stress the importance of the completion of the trans-Canada highway in the Atlantic provinces by the federal government. It is, as I say, of tremendous importance, and it is impossible to overstress this. I would hope that the new board will give serious attention to the matter.

I might also mention in connection with historic sites the interesting discoveries which have been made in L'Anse aux Meadows in northern Newfoundland. The ruins which have been excavated over the past two years seem to prove that there was a Viking settlement at L'Anse aux Meadows on the northern tip of the great northern peninsula a thousand years ago. I am no authority on this, but I am told that the authenticity of these ruins has been all but proven. I really do not know whether those who are competent to judge have handed down a final decision, but my latest information is that the ruins seem to be authentic. That area will soon be connected by road. There is a long road up the coast of Newfoundland to within a comparatively few miles of this area. I would hope that the board would pay particular attention to these ruins, where a thousand years ago there was a settlement of Vikings who had sailed across the Atlantic to discover this great nation of Canada which is ours today.

Then the question of trade was mentioned by the hon. member for St. John's East. I believe he referred to marketing. There again I would hope that the board would look carefully into the matter of properly exploiting the markets of the world for the fishery products of the Atlantic provinces, in order to give that proper emphasis to pushing our trade so that a really vigorous policy could be pursued and our fishery products sold in great quantity in the world's markets. May I conclude my few remarks, Mr. Chairman, by hoping that the Atlantic economic development board will provide an instrument of break-through for the hopes and the needs of the people of the Atlantic provinces.

Mr. Laing: Mr. Chairman, I am quite certain that the minister and a great many other members will be somewhat surprised that I should rise to say a few words on this bill, but I do so for a number of reasons. First of all, I think that a bill which is designed to improve the economic situation of a part of our great country deserves the support of all areas of the country. Second, no part of Canada has benefited more from the maritimes, or owes more to the maritimes, than my native province of British Columbia. It seems to me that a larger group of maritimers went to our province than from any other part of Canada. Certain it is that our merchandising families, our manufacturing plants, and a great proportion of the economic background of British Columbia we owe to the maritimes.

Mr. Flemming (Victoria-Carleton): What about the politicians?

Mr. Laing: I was going to deal with them in just a moment. I will deal first with the merchants and the manufacturers who went to British Columbia. Here I am reminded of the story of the five families who first went to Hawaii, of whom it was said that they went there to do good, and instead they did well. I can assure the members in this house that that is the situation with respect to the maritimers who have gone to the province of British Columbia. They have done well. As the minister pointed out, some of them have gone into politics. As a matter of fact, a great number of them have gone into politics. Of the last nine premiers of our province, no less than four were born in the maritimes. Of the present incumbent, I might say that some of us in the province of British Columbia would like to negotiate a trade, and I rather think that we would trade him for a sack of good New Brunswick potatoes. I think it is somewhat noteworthy that the government seems to be apprised of this situation in that, they have made a great sacrifice lately in order to see that something like that is brought about. However, I want to say in addition that out of the four members of my party who were returned in the June 18 election, one of them, or one quarter, was a maritimer.

So that we owe a tremendous debt of gratitude to the maritimes because of the flow of people from those provinces to ours. I would say to the minister that I rather think it is the loss of trained people from the historic universities and seats of learning in those great provinces to the United States, or to upper Canada, or to western Canada, that is one of the prime problems in the history of the maritimes. However, due to the development of our country, policies have had to be followed in the interests of most Canadians which have not been advantageous to the maritimes, and we realize that. If we go into the history of recent years and into the subsidies which have been granted, we find that the Maritime Freight Rates Act costs about $14 million per year. I think there are seven,

eight or nine million dollars worth of subsidies with regard to transportation on the waterways.

I say to the minister that we contributors from the western part of Canada and from British Columbia are quite content to assume our portion of that responsibility in respect of the bill he has brought forward at this time. I know he will not think me unkind if I say of the bill that it is nothing more than a skeleton or a letter of intent upon which he and his government have to build in the future. I hope that those of us from other parts of Canada who have made a contribution by way of taxation to the revival, the redevelopment and the rejuvenation of the maritimes might be pardoned if we are among those who in the future will be more intent upon seeing how far the minister has gone in building a muscle and a body to this skeleton which he has presented today to this house. But certainly out of the debt we owe to the maritimes we wish him and this piece of legislation well; and we propose to him that if necessary he goes on and builds it into something far greater than would appear to the people who read the bill today.

Clause 1 agreed to.

Mr. Pickersgill: Five o'clock.

The Deputy Chairman: Order. It being five o'clock, it is my duty to leave the chair in order for the house to proceed with the consideration of private members' business, pursuant to section 3 of standing order 15.

Progress reported.

Mr. Speaker: It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motion as appear on page 28.

EXTERNAL AFFAIRS

PROVISION FOR SCIENTIFIC AND TECHNICAL ASSISTANCE ABROAD

Mr. Thomas R. Berger (Vancouver-Burrard) moved:

That, in the opinion of this house, the government should give consideration to the advisability of establishing a Canadian youth service to enable qualified young Canadians to go abroad to provide scientific, technical, humanitarian and cultural assistance to peoples requiring such assistance and in particular:

(1) To enroll volunteers in the said service qualified in scientific, professional and technical fields;

(2) To provide for the training of volunteers in the said service;

(3) To provide for the placement of volunteers in countries requesting such volunteers;

(4) To provide for living allowances for volunteers while abroad and for payment of gratuities upon termination of their service.

He said: Mr. Speaker, the purpose of this resolution is to establish a Canadian youth service to enable young Canadians to go abroad to help people in the underdeveloped countries to help themselves. A Canadian youth service would give to young Canadians an opportunity to assist people in the underdeveloped countries to wipe out poverty, ignorance and disease. Teachers, doctors, nurses, engineers, agrologists—young Canadians with professional qualifications and technical qualifications, would be enabled to go abroad and participate in what I believe is the greatest task facing the people of the world in the second half of the twentieth century, the task of raising the standard of living of the have-not countries in those parts of the world that do not enjoy the standard of living that the western countries enjoy, countries whose people live on a bare subsistence or worse than that.

I believe that young Canadians are tired of the sterile invective of the cold war. I believe they want to undertake a job that may take years, even decades, but a job that I believe has to be done. I think most members of this house would agree that it has to be done because in my opinion the people of Canada recognize a responsibility that must be discharged, a responsibility for the welfare of people all over the world, a responsibility to do whatever lies in our power to bring the standard of living of people in the underdeveloped countries up to the standard of living that is enjoyed by the people of Canada and in the other countries of the western world. I should like to repeat what President Kennedy said on the occasion of his inaugural address because I think he expressed in much better language the aspiration I have tried to express. He said:

To those peoples in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the communists are doing it, not because we seek their votes, but because it is right. If the free society cannot help the many who are poor, it can never save the few who are rich.

We have to face the fact that in probably two thirds of the countries of the world people go to bed hungry every night. The people of these countries live without adequate shelter. They do not have the same opportunities that we in this country and in the other countries of the western world have. They can expect to die at a much earlier age than people in Canada. We have to do something about this situation.

The governments we have had have undertaken foreign aid programs, but in my view the government of this country in every case

has undertaken only a stunted program of foreign aid. We have never had in Canada a government with the imagination or the will to undertake an adequate program of foreign aid, a program commensurate with the capabilities of the people of Canada—the capabilities that this country has in terms of resources and manpower. This is the record, and this sorry record culminated in the decision of the present government two months ago to curtail the Colombo plan program by $8,500,000.

The United States has recognized that qualified young people have a special opportunity and are in many ways perhaps best suited to help the people in underdeveloped countries to help themselves. President Kennedy introduced legislation to establish what has become known as the peace corps, but it is important for members of the house to understand that the United States is not the only country which has undertaken a program involving the sending of young people abroad to the underdeveloped countries. Such programs have been undertaken by the Netherlands, Norway, West Germany and Belgium. In fact, the Belgian program is almost half the size of the peace corps program of the United States.

It seems to me that there is a special role for Canada to play here because the peace corps program undertaken by the United States has been determined to some extent by the exigencies of the cold war and by the special relationship which the United States has with some countries of the world. For instance, more than one quarter of the peace corps volunteers sent abroad by the United States have gone to the Philippines. At the same time the United States has sent no volunteers at all to Indonesia. It seems to me that Canada has a special role to play here. After all, Canada is bicultural. Canada is equipped to send volunteers abroad who can speak English, volunteers who can speak French and volunteers who are bilingual, speaking both languages. Because Canada has not succumbed entirely to the cold war paranoia it seems to me that young Canadians going abroad would have a much greater opportunity to help the people in underdeveloped countries than the peace corps volunteers have perhaps had, because surely the people in these countries would realize that Canadians would have no ideological axe to grind and that they were there simply to help them and not to serve any ulterior purpose.

There is no question about the need in underdeveloped countries. A survey conducted by Mr. Lewis Perinbaum, who last year was executive secretary of the Canadian universities service overseas, found that teachers were required in practically every underdeveloped country of Africa and Asia. In fact, half of the volunteers sent abroad by the peace corps have been teachers. Doctors, nurses and engineers are needed everywhere. Agrologists are needed in most of the countries of Africa and Asia.

There is another important category of people required in these countries, that category of people described as middle level manpower. At a conference on middle level manpower held in Puerto Rico last month, at which the Canadian government was represented, 41 countries discussed the problem of middle level manpower. Their report shows that it is not only people with professional qualifications who are required in the underdeveloped countries but people with trade skills and people equipped to teach trade skills, the kind of people who can assist in the every day tasks that we take for granted in this country, people qualified in the vocational and technical fields who can teach the people of the underdeveloped countries in these fields.

I believe that we would have to train young Canadians who were sent overseas to the underdeveloped countries in the language and the customs of the countries where they were going to work, if that were necessary. In most cases it would not really be necessary to teach them the language because Canadians are peculiarly equipped by reason of the bicultural and bilingual character of this country to go to practically every nation which requires assistance. English and French are the languages of most of the underdeveloped countries of Africa and Asia.

Young Canadians going abroad under these circumstances ought to work under local conditions. They ought to work side by side with local people and they ought to be paid by the government of this country wages or salaries equivalent to those being earned by the people with whom they are working. It seems to me that the term of their service ought to be, on the average, two years. This is the average term of service of the peace corps volunteers.

This would give to Canadians an opportunity to go abroad to assist in a high endeavour. They would return to Canada having acquired a much broader background with which to enter business, the professions or any other field of endeavour that they chose in Canada. We ought to provide that gratuities be paid to young Canadians who go abroad under these circumstances, which they would receive upon completion of their service.

I realize, Mr. Speaker, that the government is sending experts abroad to some of the

underdeveloped countries. I complain that the expenditure of this government on its foreign aid program is inadequate, but I realize they are sending some experts abroad. I do not propose that young Canadians going abroad as members of a Canadian youth service would attempt to duplicate the functions of these experts. Young Canadians going abroad as members of Canadian youth services would not be experts qualified to supervise the construction of a dam in Pakistan. They would be young Canadians going abroad to teach the people of the underdeveloped countries the way to perform everyday tasks that we take for granted here. For example, such things as how properly to till the fields of Africa and Asia; how to run small outpost hospitals; how to speak the English language or the French language properly; how to become acquainted with the many skills that are required in any country if the standard of living is to be raised.

I think it would be remiss to discuss a proposal such as this, to establish a Canadian youth service, without mentioning the work that has been done in this field by the Canadian universities service overseas. The universities of this country and people connected with the universities, have undertaken various programs in the last few years to send young Canadians overseas. These programs were unified with the establishment of an organization called Canadian universities service overseas about a year ago. CUSO, as it has become known, has sent volunteers overseas for the last two years. Last year they sent 16 volunteers abroad, and this year they sent 70. The fact that young Canadians are interested in this work can be established, I think, by pointing out that despite the fact CUSO had sufficient funds to send only 70 volunteers abroad, they had applications from more than 200.

If the government established a Canadian youth service, there would be no necessity to do away with CUSO or any of the other programs that have been undertaken by universities and people connected with them. I believe that a Canadian youth service could work side by side with CUSO and other programs that have been undertaken. I would go farther than that and I would suggest that the government of this country ought to supply financial assistance to CUSO and other programs that have been undertaken by the universities. In the United Kingdom, the universities have undertaken programs which entailed sending young people abroad from that country, and the government of the United Kingdom has given financial assistance for that purpose.

Now, Mr. Speaker, I have already suggested that a Canadian youth service would provide a great opportunity for young Canadians, an opportunity that most young Canadians do not have today. It would give them an opportunity to see other countries, to learn the customs of other countries, to acquire a knowledge of the world that I think most of us lack today. They would have the opportunity of discovering, first hand, the job that has to be done and to assist in doing that job.

It seems to me that Canada ought not to undertake a program such as this to enhance her prestige or in the pursuit of national vainglory, but rather because this is the sensible, logical thing to do in order to discharge an obligation that I suggest we in Canada have to the underdeveloped countries of the world. In talking about the job that the western countries face in assisting the people of the underdeveloped countries, Adlai Stevenson had this to say:

> But it must also be done because of a much profounder reason; for it is wrong to leave children to starve who could eat with our help, wrong to let youngsters die when medical skill can save them, wrong to leave men and women without shelter, wrong to accept for others, in the midst of our own abundance, the iron pains of degrading want.

We in this country have come to recognize that we have a responsibility in respect of the people who are within the borders of this country. We recognize an obligation to make sure that our fellow Canadians do not starve, that they have adequate shelter. Surely, we ought to recognize the fact that that responsibility extends beyond our national boundaries. Surely, we ought to recognize the fact that this is a world wide responsibility, that the brotherhood of man does not end at Newfoundland or at the west coast of British Columbia. I suggest that the best way Canadians can discharge this responsibility for raising the living standards of people all over the world is to give young Canadians an opportunity to help these people. I believe this resolution would do just that. It would enable young Canadians to participate in the great task of eliminating poverty, ignorance and disease all over the world. I urge all hon. members, Mr. Speaker, to give their support to this resolution.

Mr. Arthur Smith (Calgary South): Mr. Speaker, I should like to make one or two observations concerning not only the purpose of the measure before us but also the objective set out in the resolution by the hon. member for Vancouver-Burrard (Mr. Berger). At the outset, let me say to him that I am not in disagreement with his purpose, which is indeed worth while. It is an objective that I believe most of us, if not all of us, would support. I propose to ask, in the few minutes

that I intend to take, whether or not the hon. member could accomplish his purpose by this measure or whether we have already the facilities which might, in some way, provide exactly the same opportunity for young people to take part in the attempt to close the gap between the have and have-not nations of the world.

This resolution is designed basically on the very successful peace corps introduced by President Kennedy. It has been acknowledged, and I think it is generally appreciated, that while the peace corps has enjoyed some measure of success it has had certain shortcomings. Some of these are that when the scheme was first introduced these young people who went out to underdeveloped countries found they had to meet extreme hardship and in some instances were not mature enough to meet the problems which confronted them. Second, it was found some of them did not possess the qualifications or the training that was necessary in order to be of any real assistance, but when they returned to the United States they supplemented their rather academic studies by having a better understanding of the areas or countries they were visiting. The third point was that some of them psychologically were not suited for the work. It was found they were not mature enough and they did not have an understanding of some of the political and psychological problems existing in the areas to which they were sent.

However we can agree basically that the plan was successful, with perhaps a few shortcomings almost all of which have been corrected. My hon. friend suggests that we follow the same course, and before going into the details of his argument let me say I certainly wholeheartedly agree that the need for trying to close this gap between the have and have-not countries is most necessary. I hold the contention that all countries of the world should try to shift the emphasis of their aid programs from one of providing purely food, products or cash to one of improving the technical assistance they can provide so that we can help these people, who are less fortunate than ourselves, to help themselves.

I have some specific examples in mind. Just about a year ago I had the opportunity of visiting Europe, Africa and the Middle East, and in a desert in the Middle East I saw a doctor trying to treat some 550 youngsters in a clinic. The thought occurred to me that it would be a great help if one medical practitioner from Canada, perhaps as part of his post-graduate duties, were to go there and reduce the work of that Arab doctor by half. There would be great prestige for our country, in addition to the humanitarian advantages.

[Mr. Smith (Calgary South).]

I saw much the same situation in the Congo after the Belgians had left. Many of the people there had no understanding of how to work the everyday utilities and it would have been of the greatest help had the United Nations accepted Canada's suggestion to establish a world bank of civil servants who would go into undeveloped countries after they had attained their independence to help them carry on until such time as they could employ their own technicians.

I saw much the same thing in China; but the point I wish to make is that these people require fairly highly trained technical assistance and I question whether it would be enough to send them relatively untrained youngsters, in other words, to send a boy to do a man's job.

The hon. member for Vancouver-Burrard did not indicate the age requirement, the level of experience or the type of training which members of a youth service would be required to have. I have dealt for some years with members of youth organizations and have a great appreciation of the intelligence and ability of young people to acquire information quickly, but I would like to make the point very clear that before we embark on any program to provide technical skills for undeveloped countries we must make sure we do not send untrained young people into areas demanding qualified personnel for it would only discourage any future value of more highly trained people going into these same areas.

I think there is an area of compromise between what the hon. member has suggested and what I am about to propose, and that is that there is nothing wrong in having a group of young people out of universities taking part in Canada's present external aid program. We have already appointed a director and his first responsibility, as I recall it, is to make a survey of the talents within Canada that are surplus to our own domestic requirements, and to employ them in exactly the same manner and for the same purposes as the hon. member for Vancouver-Burrard now suggests. I think one of the first duties of the external affairs committee should be to make an assessment of how far this survey has been completed, because we can provide a great many of the skills required. We have a surplus of geophysicists and geologists who should be made available, under a government sponsored program, to assist many areas of the world in finding out the extent of their own natural resources.

We could ask Canadian educational institutions to provide us with trained teachers, people mature enough to go out and assist in educational programs in many of the large refugee camps and in other areas which

require improvement of their educational programs. We could also use other people from the technical trades, and here I would specifically suggest we call on the Canadian trade labour congress to assist us in developing a nucleus of these people to assist the technical trade arm of a Canadian sponsored program.

The one criticism, if it can be described as such, which can be made of the motion before us is that the program it envisages really is not ambitious enough and that it will not help the people who need help, in that it will not help them to develop their own resources. It will not help them improve their educational standards. I think it was described in terms that it would help them in everyday activities through the understanding of another language. That is of course important, but the people in these countries need help urgently in a great many other fields.

Therefore I say to the hon. member that while I would support the principle of his motion it seems to me it would be more efficient to make a further division in the external aid program of the government so that the universities, the trade labour congress and the Canadian medical profession could be called into conference to work out a program which would place greater emphasis on technical skills and making those skills available to less developed countries. Not for a moment am I taking away anything from the attributes of the young people of this country. I am merely suggesting that the magnitude of the problem must be realized by them and that they be trained to meet it.

It has been said many times that Canada has not fulfilled its responsibility in terms of foreign trade. In fact one hears various figures respecting our gross national product, or in terms of cash that it is said should represent the total amounts that we should contribute in this field to alleviate human misery. We all agree on the necessity for maintaining an active external aid program and I suggest that in the very near future we should increase the amount of moneys that are available for this purpose; but I hope it will not be done purely in cash or goods because often cash and goods are suspect. I am not speaking of Canada's contributions but of the contributions of one or two other countries.

Sometimes when these moneys and products are sent to undeveloped areas we are inclined to be a little suspicious that they do not always reach the people for whom they are destined. On the other hand it is my belief that if we provide technicians and tradesmen they will help close the gap much faster between the haves and the have-nots. They will help these people help themselves; and in the long run, while it is recognized that food and cash must still form part of our program, skilled tradesmen can help these people much more efficiently.

To my hon. friend who has moved this motion I say his purpose is sound but I wish he had been more ambitious. I wish he had tried to deal with the problem as it exists, and with the magnitude of it as it exists. I would suggest to him the machinery is already set up in Canada's external aid program under its director, Mr. Moran. He is a man with considerable experience who could really undertake the purpose of this motion, expand on it, and thus shift the emphasis in Canada's external aid program towards providing more technicians.

Those are the only remarks I wish to make, Mr. Speaker, with one exception. I do not think any of us need for a moment be ashamed of the contributions which this country makes in terms of mutual or external aid. I think it is recognized that we spend some $70 million a year basically in our bilateral program and through the Colombo plan. I suggest to hon. members of this house that this is not the true measurement of our external aid. We should look at the many contributions we make to the various funds and organizations within the United Nations. We should also look at the recent amendment to the export credit act extending from $200 million to $400 million the funds which are now available. I suggest also that we should look at the contribution we made recently through the world food bank. I suggest we should look at the Canadian resolutions, to which I have already referred, in an attempt to provide help to those countries which have only just recently obtained their independence. I refer to the help we have given in establishing a bank of civil servants and technicians. I suggest we should look at the contributions in a great many other fields, because the sum total of these represents more than 1 per cent of Canada's gross national product.

I believe that if one refers to any number of House of Commons papers this will be seen. The paper I have in front of me, reference No. 93 shows, if one looks at the appendix on the last page, that of the six agencies of the United Nations to which there are contributions and pledges for the voluntary special programs carried out by them, Canada is third, behind the United States and Great Britain. Having made this point, Mr. Speaker, I should like to see this program still further increased. I have also indicated that I should like to see whether there has

been a shift in emphasis and I hope that when the external affairs committee sits we can see whether this shift in emphasis has already taken place.

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I would like to present my views on this motion, express my support for the principle enunciated by the hon. member for Vancouver-Burrard (Mr. Berger) and congratulate him upon bringing forward this motion at this time. The more particular aspect of this question to which I would like to make reference is the work of the private Canadian agencies which are now engaged in this field and to which the hon. member made some reference in introducing his motion.

The present service, as the hon. member has pointed out, is provided by the Canadian universities service overseas, known as CUSO, which is itself an amalgamation and continuation of two previously existing organizations, the Canadian overseas volunteers and the Canadian voluntary commonwealth service. Before proceeding to the discussion of the work of these two agencies and their relation to this particular motion I would like to pay tribute to the efforts of the member for York Centre in the last parliament both for his advocacy for this in this house and his very extensive efforts outside this house in advancing this very worth-while cause.

Reference has already been made to the United States peace corps. In fact, in our north American idiom the term "peace corps" has come to describe all efforts of this kind whereby young people can go and render volunteer service and make available their talents to less developed nations. It should be pointed out, however, that in addition to the nations referred to by the hon. member for Vancouver-Burrard, the initial credit for the idea can be given to a private group in Australia which in 1952 first developed this notion of having young Australians working abroad in areas where their talents were needed. What is more, Mr. Speaker, Canadians can take some credit from the fact that, as I mentioned, due to the efforts of the former member for York Centre the Canadian overseas volunteers preceded by at least three months the foundation of President Kennedy's peace corps. These Canadian voluntary organizations now have 80 Canadian students either overseas performing functions of this kind or about to go overseas. Of this number 52 are now overseas under the auspices of CUSO, 15 under the auspices of the Canadian overseas volunteers, and five under the auspices of the Canadian voluntary commonwealth service. There are eight more to go. It is noteworthy that the 20 sent overseas by the two originating organizations have had their efforts and expenses financed by private fund raising services within this country. What is more, of the CUSO students two have been financed by private funds. The remainder have been financed by the governments of the foreign countries to which they have been sent. The cost that arises in these particular programs is that of transporting the Canadian student who has been transferred from this country to the foreign site. To give an illustration, a return ticket to Africa costs $1,300. In addition the student must be submitted to a considerable program of orientation on the language of the country to which he is going, on the customs and the nature of the duties he will have to perform there. This in turn raises the administrative overhead, so that the Canadian overseas volunteers have calculated that approximately $2,000 per student is necessary in order to get him on site.

This brings us to a problem which has arisen with these Canadian organizations. The foreign countries to which students have been sent, due largely to currency difficulties, have had difficulty in finding the exchange necessary to pay the transportation to the site. This was distressingly illustrated by the experience of CUSO in this past academic year. In May, 1962 at the close of the academic year CUSO had no less than 200 volunteers prepared to go to sites overseas and acceptable to the organization. However, due to the difficulty in finding the means for transporting them considerable delay elapsed before they could be sent abroad and by September, due to this delay and the further uncertainties of their situation, nearly 110 of these students had dropped out. In other words this was a serious and very distressing loss of talent which could have been made available abroad.

While I support the general principle of the resolution my specific recommendation would be that the federal government should give assistance to this program by way of grants to the existing organizations. Second, I think the federal government to the greatest degree within its power should through its own facilities publicize both the availability of these services and the nature of the work that is done. The qualification which I would have regarding creating an independent governmental authority to administer this program is that I feel the universities should continue to be autonomous within this field and should administer the program. The university faculties and students are in a better position to judge the applicants coming forward, and what is more, by having it in the hands of the universities you take away any suggestion of government interference and control which in this country might tend to

discourage private contribution to the fund, and the student in the foreign country may possibly have cast upon him the stigma of being a representative of the government.

I would suggest, further, that the program should be concentrated in a number of very practical specialties wherein the immediate use of and demand for these services is very great. These are the fields of engineering, agriculture, medicine, nursing and education. We in Canada have perhaps some difficulty in appreciating just how serious is the lack of these very basic facilities in other countries. Perhaps I can illustrate this by making reference to a letter written by John Andrews, a Canadian overseas volunteer. It was written from the site on which he was working in Ceylon. Mr. Andrews writes:

> My job has been mainly concerned with the next step, that of planning and arranging the construction of all the bridges and drainage culverts required as well as advising the workers with regard to any problems that they encounter.

It might be pointed out that Mr. Andrews is by professional training an engineer. He continues:

> It was on a planning and inspection visit to Deriyaya—about 40 miles inland, in quite hilly country—that I was able to best see the great importance of this work. At present, the sole connecting link with the main road for two villages of 700 people each and three small tea estates, is a very rough footpath about two and a half miles long. There are two native built bridges each about 30 feet across. The walking surface consists of three bamboo poles and there is a wire slung between two high trees on to which one must hold while crossing. Of course, the sway on these structures is very great and crossing is quite hazardous. In the rainy season the river often floods and washes the bridge away. At present all the produce from the estates, all goods for the villages and even people requiring hospital care must be transported on the shoulders of bearers along this rather hazardous route.

They will build—and have already built —two reinforced concrete bridges and all the necessary drainage culverts. The project, when completed, will reduce the costs of the estate products and also of articles required by the villagers. It will open up the area and allow an easier flow of ideas and methods to a formerly isolated region, with all the benefits which this will bring to them.

I suggest there are three reasons in particular why it is to the advantage of all of us in Canada to enhance programs of this kind. First, as those who are articulate in their approach to international affairs have pointed out in recent years, Canadians are welcome in underdeveloped nations because the stigma of imperialism attaches to them less than it does to citizens of some other nations. In addition, they are not identified so readily with one side or another in the cold war. Canadians are therefore in a better position to mingle with the population and are less likely to be regarded as government agents. The second reason is this: by encouraging young Canadians to mix with the foreign population we can strike a strong blow toward removing the stigma which attaches to the white man, a remaining legacy of the colonial period and one which is most difficult to remove. Third, by building up a category of young Canadians who have spent time in countries abroad on such projects as these we shall have, eventually, a group of people better capable of understanding the way of life in countries other than our own.

For all these reasons I suggest that Canadian organizations should be supported not only by government but by private sources. Therefore, while accepting the principle of the motion by the hon. member for Vancouver-Burrard I would suggest that federal government assistance should be given to these existing organizations rather than that a separate peace corps should be established.

(Translation):

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I will take only a few minutes of the time of the house to endorse, on behalf of the group I represent, the motion introduced by the hon. member for Vancouver-Burrard (Mr. Berger).

In my opinion, the principle of the motion is excellent and completes other projects which are presently being carried out.

Thus, I know that the government itself is providing assistance to underdeveloped countries under the Colombo plan. However, I feel that this assistance, which costs us several tens of millions of dollars every year, is far from giving the results we have a right to expect.

To give only one example, recently, I had the opportunity of meeting a person who lived in those countries. Having stayed with various tribes and in various villages, that person was in a position to see the results of the assistance provided by different countries under the Colombo plan.

And he stated that money donated by the various countries to contribute to the development of those underdeveloped countries did not do much good because, in many instances, that money had been handed to those countries' administrators who used it only to increase their hold and their domination on their own people. In fact, they used it, in many instances, to build themselves palaces and to live in unheard of luxury.

On the other hand, he told me that the alms given to the missionaries of various faiths who are still in those countries, in

Africa as well as in South America, really bring help to those peoples.

He told me that with a dollar those missionaries could get three or even four times more than could be expected from a dollar donated through the Colombo plan.

So, it is easily understood that if we could, as Canadians, step up our assistance to church organizations of various denominations existing in those countries, our contributions out of public funds to assist the people of those underdeveloped countries would yield much better results.

In the suggestion put forward by the hon. member for Vancouver-Burrard, I note this. He is asking the government to set up an organization to provide for the training in various trades or occupations of young people who could be needed in those countries to set up industries and schools, to assist in hospitals and at all levels of administration or social organization.

I think that our youth, in many cases, would have that vocation that would make them more or less missionaries. Because after all, it is a missionary calling, even if it is not in actual fact a religious vocation, and there are many young people whose dream has been to go to underdeveloped countries to dedicate themselves to the service of humanity, to the service of the needy who, in those countries, have been waiting for our help all those years.

I think that Canada, by stepping up its contribution through the training of young people who would, for a certain number of years, offer their services for the economic and social development of those countries, would be doing a truly humane action, an action for peace. It could even become known as a peacemaker.

We already enjoy such a reputation, but we could strengthen it, it seems to me, by sending to those countries ambassadors who would show them that our economic philosophy, far from being like that of our opponents, is based on religious and humanitarian principles that we wish to spread among all the countries of the world.

Ever since many of its countries have freed themselves from colonialism, Africa has been on the horns of a dilemma. Those countries want to improve their situation, but they lack that middle class which is the backbone of our civilized nations. They only have a poor working class, totally ignorant, plus a few intellectuals, trained in European countries which have helped them to study at their universities, and who come back to their own people to put in practice what they have learned and what they believe to be for the good of the nation.

But we know that, unfortunately, to be without a middle class like the one we have in our countries does create economic problems. They lack the people with the skills required to stabilize their country's economy; they lack the men capable of taking over their economy to establish industrial plants and social organizations.

That is why I say that if Canada were to take advantage of the ideas advocated by the hon. member for Vancouver-Burrard, it would be taking a significant step towards helping underdeveloped countries.

In my opinion, Canada, which has never been a colonial power, must go and repair on the spot the damage caused or left behind by colonial powers after they had gone.

We may not have any official commitment toward those countries, but we have at least some moral obligation and we should accept our responsibilities.

That is why, Mr. Speaker, I feel that no member of this house would object to the government spending a greater amount of our money so that our young people may go in underdeveloped countries to help them carry out their economic recovery.

Therefore, we readily endorse the motion introduced by the hon. member for Vancouver-Burrard.

(Text):

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would welcome the opportunity of speaking on this motion for one hour, but I will of course not do so because under no circumstances will I talk this motion out. Therefore I will speak for only five minutes. I should like to say that four of us in this House of Commons had the opportunity and the privilege of spending some five weeks in a west African country. I wish, sir, that every member of this house could have had the same opportunity. Because if they had seen what we saw in travelling round a country the same size as British Columbia populated by 42 million people, they would without hesitation unanimously adopt the resolution now before us which has been moved by the hon. member for Vancouver-Burrard (Mr. Berger). Mr. Speaker, all of these newly developing countries need massive assistance. They need the assistance of engineers, technicians, doctors and scientists. They also need what we in Canada can supply, and that is volunteers among our young people who are not medical men, or scientists, or technicians.

I say, Mr. Speaker, that support of this resolution and following it through would mean a great deal.

Mr. Speaker, may I tell you of the city of Jos in northern Nigeria. In that city alone there are 70,000 people, and outside there are 200,000 in their tribal villages. There is one hospital in Jos. There is one doctor in that hospital. He looks after all the bed patients and does all the surgery. He also attends to between 600 and 800 out-patients a day from 8 o'clock in the morning until one o'clock in the afternoon. He cannot look after them all but if he had a couple of orderlies or a couple of our nurses in that hospital in Jos, would it not make a great deal of difference to the health of those people?

Let us take another city in eastern Nigeria which has perhaps one of the finest hospitals of all, and which is run by a Catholic mission. Years ago the major cause of death amongst children was lockjaw. Now they have very few deaths from lockjaw. And why? Because although two Catholic medical doctors cannot look after 500 out-patients, they can give anti-tetanus shots, and very few youngsters die now. If you go into western Nigeria, into Oyo, Ibadan and Ife, these shots are not given and lockjaw is one of the great causes of death. Some of our young Canadians who have been trained as orderlies, nurses or technicians could provide such a service, under medical supervision.

In that country of 42 million people there are 83 doctors. Midwifery is hardly known. Most times when children are born the umbilical cord is cut too long. So how is it closed? I wish the hon. member for Jasper-Edson (Mr. Horner) were here to back up what I say. It is closed with a dab of goat, camel or cow dung. And what happens? Infection. One child out of two dies. What could some of our young people do? With two or three years of the training we give in Canada they could help people under these circumstances.

Mr. Speaker, I have just given you a couple of dramatic illustrations showing why I should like to talk on this topic for an hour, and why I am so wholeheartedly in support of this motion; but I will call it quits now so that we can have a vote and it is not talked out.

Mr. J. R. Sams (Wentworth): Mr. Speaker, I do not propose to take up too much time on this particular motion, but I should like to give one or two opinions of my own. I think there are a great number of undergraduates in our Canadian universities who could and would be readily available to fulfil the obligations set out in the motion proposed by the hon. member for Vancouver-Burrard (Mr. Berger). Modern communications and transportation today are such that to ignore the rising masses in India and Asia—

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

Mr. Sams: Yes.

Mr. Deschatelets: Is the hon. member aware that if he speaks until six o'clock he will prevent a vote on this resolution?

Mr. Sams: I thank the hon. member for calling my attention to that, but I would remind him that he is taking up some of the time in which I should like to add to this debate. Trade missions, diplomatic missions and the like, all have their place in this question of the problems of other nations. The adoption of a program such as that outlined by the hon. member for Vancouver-Burrard, coupled with a sincere and dedicated desire for a proper approach to the problems of mankind, will ensure our success in their understanding and of the peace of the world.

Mr. Speaker: Order. The hour appointed for the consideration of private members' business having expired. We will now revert to the business which was interrupted at five o'clock.

(Translation):

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The Deputy Chairman: The house again in committee on the motion of Mr. Flemming (Victoria-Carleton) for the second reading of Bill No. C-94, to provide for the establishment of an Atlantic development board.

On clause 2—*Definitions.*

At six o'clock the house took recess.

(Text):

AFTER RECESS

The committee resumed at 8 p.m.

On clause 2—*Definitions.*

Mr. Pickersgill: Mr. Chairman, there is just one question I should like to ask the minister about clause 2. Clause 2 (c) reads as follows:

> "Minister" means such member of the Queen's privy council for Canada as may from time to time be designated by the governor in council to act as the minister for the purposes of this act.

I do not take any exception to that wording. I can understand why the government

might want to be free from time to time to change the minister designate. But I would hope that the government has already made a decision as to who the first minister designate is and, if so, I would hope the minister could tell us. I expressed the hope on second reading that it would be the minister from New Brunswick, and notwithstanding the fact that this might seem to bring me into contradiction with my hon. friend from Westmorland I reiterate that hope.

I do not think we want the Minister of Finance to be the minister designate here because we want a minister who is going to be rapping on the door of the Minister of Finance all the time. We do not want a built-in veto. I do hope that a decision has been made on this matter and that the minister can tell us what that decision is.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I should like to be in a position to answer the question categorically, and I must say, with all due modesty, that I should like to answer it in accordance with the suggestion that the hon. member has made. I find it impossible to do that at the moment but I will convey his opinion in that regard to the cabinet, which I know will have a great deal of influence.

Mr. Pickersgill: I hope that my expressing a favourable opinion about the minister will not queer his chances.

Mr. Flemming (Victoria-Carleton): I was sincere in what I said.

Mr. Pickersgill: I am sure the minister was, but I do not think all his colleagues entertain the same feelings about me that the minister does, and perhaps there might be a certain reciprocity there as well. Although I am not going to go on with this point at all or press it in any way, I do have to point out, notwithstanding my regard for the minister, that this is just further evidence of the fact that this government can never seem to decide anything.

Clause agreed to.

On clause 3—*Board established.*

Mr. MacInnis: Mr. Chairman, first of all I want to say that we took the minister's words seriously the other evening when he asked for co-operation with respect to this bill in an attempt to move it forward as quickly as possible. Therefore we presented our general views on it and now we are moving into specific amendments. With regard to clause 3 we wish to acknowledge and congratulate the minister for his broadmindedness in making known to the house the fact that one of the provisions of this bill was ridiculous. I am not going to waste any time on this point because the hon. member for Antigonish-Guysborough has already dealt very fully with it.

The matter that we wish to draw to the attention of the minister and the committee at the moment is the fact that if one provision of the bill can be ridiculous then perhaps the minister will agree it is possible other clauses of the bill are equally ridiculous, and I say that without wishing to be facetious. We are concerned about clause 3. I do not think it is necessary for me to review for the benefit of anybody in this house the fact that it is utterly fantastic to expect that five individuals are going to be able to do this job properly. The minister has already said that the members of the board are not going to be some kind of superior or perfect human beings but are going to be ordinary men and women. Therefore it is going to be impossible for five people, certainly if they are going to operate on a part time basis, to do the job the minister is trying to tell us this board is going to be expected to do.

Is there any need for me to review the problems that every university in this country faces, with boards of directors ranging from 25 to 50 people, many of whom donate a considerable amount of their free time solely to giving attention to the problems of financing universities in this country? Is the minister going to stand here and tell us that five people on a part time basis are going to be able to do the job that a whole region of Canada is demanding? We suggest that this is simply impossible and that this is another of the ridiculous provisions of the bill. We will have something to say in a further amendment about full time employees for the board but for the moment we are considering the matter of five members, all of whom will be operating on a part time basis.

Second, we suggest that if the four provincial governments involved and the different important segments of the community, labour, business, management, agriculture, rural life in general, co-operatives, credit unions consumer groups and universities are going to be represented, it is again hopeless to attempt to set up a board consisting of five people who will be able to do the job. Without wasting any more time I should like to move:

That clause 3 be amended by deleting the word "five" in the third line thereof and substituting the word "fifteen" therefor, so that the clause as amended will read:

3. A corporation is hereby established to be known as the Atlantic development board, consisting of fifteen members to be appointed by the governor in council as provided in section 4.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I should like to make a slight correction in the remarks of the hon. member for Cape Breton South with reference to his

use of the word "ridiculous". The statement I made two days ago was that the salary was ridiculous. I was not referring to the clause particularly, and I am still of the same view. I am sure that all hon. members, particularly those within my immediate range of vision, know that sometimes these things happen but because they happen is no particular reason for not correcting them. Therefore, as I said the other day, when we come to clause 5 I expect to present an amendment.

Now, Mr. Chairman, with reference to the remarks of the hon. gentleman from Cape Breton South, I am one of those who believe that it is always possible to obtain a good deal of benefit from the opinions of many people. I submit to this committee, however, there is no particular reason why we should consider that a board of five people would be any less effective than a board of 15 people. As a matter of fact, it is my opinion that a small board, set up to be representative of all the provinces, would have a better chance to do effective work, to do it more expeditiously than a large board. This does not take anything away from the merits of the remarks made by the hon. member in connection with representation on this board of various organizations and groups which he mentioned. I accept that. It is very wise to have these organizations represented.

Many people have risen to their feet during this debate and have advanced their ideas as to what they believe is good. They have mentioned the things which they believe the board should have in order to be successful. I acknowledge their desire that this board shall be successful. I believe, too, that if you have a representative from each province and a chairman, that will be a good board with which to start. As I said the other day, I think we have to consider that this board is, to a certain degree, experimental in nature. We have never before had a board of this type in the Atlantic provinces. We have never had a board charged with a specific responsibility. It is important to remember that this board will be dedicated to securing the accomplishment of something of a very constructive nature. I think this is of tremendous importance.

I submit again that the board has possibilities and it is a forward step. It has been recommended by the commission on Canada's economic prospects.

Mr. Gordon: Will the minister permit a question?

Mr. Flemming (Victoria-Carleton): Yes.

Mr. Gordon: I was not quite sure about his reference to the commission on Canada's prospects. If the minister refers to the royal commission of which I had the honour to be chairman, I cannot remember recommending an advisory body of this kind. I wonder if the minister would be kind enough to clarify the matter.

Mr. Flemming (Victoria-Carleton): I shall be glad to clarify it to the extent I can. I did have reference to the commission headed by the distinguished member for Davenport. I acknowledge that he may have given this body another name, but I submit that, to all intents and purposes, it is a board of this nature that he had in mind.

Mr. Gordon: May I ask the minister another question? The council recommended by the royal commission on Canada's economic prospects for the development of the Atlantic region, if I recall correctly, was called—well, the main feature of it was that it would provide capital for that region. My question is, does the minister believe this particular advisory body can do the same job as was recommended by the royal commission, which was to introduce badly needed capital into the Atlantic area?

Mr. Flemming (Victoria-Carleton): I shall be glad to answer that. In my opinion, the hon. member for Davenport is just splitting hairs. He recommended a board. When I say "he" I mean the commission. Then, he recommended that the board should have finances at its disposal, and that is the part of the recommendation with which I do not agree.

I do not know whether or not my hon. friend from Davenport was here the other day, but for his benefit I will repeat what I said on that occasion. He may choose to differ with me, but I am going to repeat it anyway. I expressed the opinion that no government should delegate to a board the responsibility which they, themselves, owe to the Canadian taxpayer. In my opinion it would be a wrong thing to give any board millions of dollars of the taxpayers' money and say, "Now, just go ahead and spend this in whatever way you believe is proper." I do not agree with that, not for a moment.

I do agree with the principle of examination. I agree with the principle of investigation. I agree with the principle of economic research into these various projects. Then, after that has been accomplished this board would make recommendations to the government in Ottawa for final decision. This is where my hon. friend and I do not agree, but that is quite all right. People have been known to disagree before. In the main, I suggest—

Mr. Gordon: May I ask the minister another question?

An hon. Member: Let him finish.

Mr. Flemming (Victoria-Carleton): At least let me finish a sentence. I submit that in his report the hon. member recommended a board and this is the first indication we have of the carrying out of that recommendation. I am one of those who feel that the size of the board is no criterion of the effectiveness of it. As I remember, the commission on Canada's economic prospects comprised seven members. They journeyed from one end of Canada to the other. They examined witnesses and I had the pleasure of appearing before them. I was treated with the greatest of courtesy, just as I would expect from a commission presided over by the hon. gentleman from Davenport. In this particular case, I believe a board of five will be a good size with which to start. While I do not like to disagree on such a small matter with the hon. gentleman from Cape Breton South, I submit that if he is really interested in the success of this Atlantic development board, he is doing it a disservice when he moves an amendment to enlarge the board to 15. I find that I cannot accept the amendment.

Mr. Gordon: I wonder if I might ask the minister a question now, Mr. Chairman, on the point that he was raising that there was not much difference between this particular advisory board and the board recommended by the royal commission on Canada's economic prospects. Perhaps I might read in two sentences from page 411 of the report of the commission.

Mr. Bell (Saint John-Albert): On a point of order, Mr. Chairman, the hon. member for Davenport will find that around here it is pretty poor etiquette to quote himself.

Mr. Gordon: Mr. Chairman, I am not so interested in the etiquette as in getting down to the fundamentals of what is being proposed. I would like to draw this to the attention of the committee, in view of the minister's remarks, and to ask him a question after reading this particular paragraph. It reads as follows:

> The proposed commission or other agency, and the staff which it would require, should first prepare an over-all co-ordinated plan, including a list of priorities in connection with the proposed expenditures. Once this was approved by the federal government, the commission or agency referred to should be responsible for the implementation of the proposals, including supervision of the expenditures involved.

I would like to ask the minister if he thinks that is the same as what is contemplated for this proposed advisory committee?

Mr. Flemming (Victoria-Carleton): Mr. Chairman, so far as the contemplation is concerned I presume the hon. member can speak with more authority and knowledge than I can. I am just trying to work out for my own satisfaction in a common sense fashion just what that commission did mean in that particular paragraph. I am quite satisfied that the board, that is presently under discussion so far as this committee is concerned, meets a good many of the ideas which the commission, in my opinion, had in mind. If I am wrong and it does not, we will not quarrel about it.

I still submit that a board of five will be a good board, at least to start with, and I do not need to reiterate what I said about financing. I still submit that the government should not delegate the spending of millions and millions of dollars without the government taking final responsibility for the spending of the money. That is my opinion and I am still convinced it is the right one. I have nothing to add to it. Neither do I think that the committee will be influenced by what the hon. member for Davenport read from the report of that commission because it is my opinion that this board pretty well meets what the commission had in mind.

Mr. Pickersgill: I wonder, Mr. Chairman, if I might raise a point in connection with this. The minister may say he does not want to accept the recommendation of the hon. member for Davenport in certain particulars, but what about the recommendation that was made by every Conservative candidate in the Atlantic provinces in May of 1957, in the charter on which the hon. gentleman's party got elected? I admit the hon. gentleman was not a candidate himself and I suspect that is why he was given the task of bringing in this bill, because the Minister of Finance and the Minister of Fisheries would not want to have to eat their own words.

Of course, there is no minister from Newfoundland, but every candidate who was elected in 1957 in the Atlantic provinces to support the Tory party was pledged to a capital projects commission, which was obviously based on the hon. member for Davenport's recommendation in his preliminary report, although not acknowledged. They all pledged themselves to that, including the Minister of Finance and the Minister of Fisheries, and I suggest we let the Minister of Fisheries get up and speak about it. He has not taken much part in this debate yet and he can tell us himself if he has now repudiated that election promise of his, and the distinguished and honourable member for Saint John-Albert might also get up and quote himself and his promise. We would be very glad for him to reiterate that promise and hear him say he had struggled vainly all

these past five years to get it carried out. It has not been carried out, and now we get this lame duck.

Mr. Bell (Saint John-Albert): What about your plan for one way tickets now?

Mr. Pickersgill: The hon. gentleman should not talk about one way tickets. For five years the hon. gentleman has been supporting a government that has been issuing one way tickets for the people of the Atlantic provinces, for people who could not get work there. Now he is supporting a bill to issue more for them. The hon. member for Davenport said we should do a lot in the Atlantic provinces, everything we could, to provide work for the people there; but if everything did not work, then and only as a last resort should anybody be sent out of the area. That, however, is the only thing hon. gentlemen opposite have been doing. They started it in 1958. They sent them up to Elliot Lake just before some of the mines there closed down and they have been doing it steadily since. Now, five and a half years later, the minister introduces this bill—and I exonerate him; he did not sign the Moncton declaration; he was not there; he was in another place. But he supported every one of those candidates. He roamed up and down the Atlantic provinces telling people to follow John to paradise. And where did they follow him? They followed him into this collection of broken promises and this mere advisory board that is the substitute of the capital projects commission that they all promised in those promising days of May, 1957.

Mr. Lewis: The purpose of the amendment before the committee is precisely to attempt to make the body which the bill proposes into a much more effective planning agency. I am sure the hon. member for Cape Breton South or any others of his colleagues in this party do not care really whether there are 15 members, or 13 or 12. We suggest 15 and we do so for two reasons.

First, we believe that the commission ought to be representative not only of the four governments of the Atlantic provinces but also of various organizations of the working people and the farm and co-operative people in those provinces, and you cannot possibly have that kind of representation in a board of five members.

Second, there should be a number of that board—we will suggest three in later consideration of another clause—who would be full-time members, instead of having a board all of whom would give their spare time to the work, because we are convinced the work cannot be done in that way. The purpose of a capital projects commission cannot be filled and a plan for the Atlantic provinces cannot be prepared, and still less can actual projects be executed and supervised, if you have a board of five members all of whom merely give whatever spare time they can to this tremendously important part of Canada and this tremendously important part of our economy.

We suggest that, in spite of the obvious good will of the Minister of National Revenue and in spite of his obvious good intentions for the provinces on the Atlantic seaboard, the fact is that the board which he now proposes is no more than a body which will advise a little and from time to time meet to consider some things. Adequate planning cannot be done in that manner. As I say, we believe it ought to be a board representative of organizations as well as of governments, and large enough to have among it members giving their full time to the job for the Atlantic provinces.

I have no doubt that promises were made in May, 1957, in the Atlantic provinces as they were made elsewhere. Likewise I have no doubt they were made by representatives and spokesmen of all parties in the house. That is an old tradition of political spokesmen, an old tradition of elections in this country, to make promises. I do not think only one party in this house makes them or has made them in the past. I have heard members in other parties make promises and I have read their promises and their election literature.

I am not concerned about that at all, Mr. Chairman. What we are concerned about is that this important step toward recognizing the regional problems of the Atlantic provinces as an essential part of Canada's economy be made an effective step instead of a faltering and useless step. This is merely the first item that the hon. member for Cape Breton South has moved in a series of amendments which we hope this committee will approve, which will put some teeth into the legislation and give the board the powers and capacities for doing the tremendous job that needs to be done.

I would appeal to the minister that he take seriously under consideration the amendment moved by the hon. member for Cape Breton South. If the minister thinks that 15 members are too many and that 12 will do the job, I am sure the hon. member for Cape Breton South is not wedded to a particular number so long as the board will be large enough to be representative of the people as well as of the governments of the Atlantic provinces, and so long as it will be large enough to provide for two or three full time members, so that two or three competent men or women

can give full time attention to the problems about which he and other hon. members of this house have spoken.

I have had the pleasure of visiting the Atlantic provinces on many occasions over the last 25 years or so. When visiting them, as a person living in central Canada and knowing something about the industry in central Canada, I could not help being impressed by the way in which a good many of the advances in our country have bypassed that part of Canada. One cannot visit those provinces and study their problems without being impressed by the necessity for some serious action by this parliament with regard to that section of Canada. I underline what others have said, that the action proposed could be of value if it were made effective. That is the purpose of the amendment before you, Mr. Chairman.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I am naturally impressed—

(Translation):

Mr. Caouette: Mr. Chairman—

(Text):

Some hon. Members: Order.

Mr. Pickersgill: The minister was speaking.

The Chairman: The Minister of National Revenue.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I am naturally impressed by the eloquence of the hon. member for York South. I am not a bit impressed, however, with his argument that a 15-man board would be more effective than a 5-man board. I submit there is nothing a 15-man board could do that a 5-man board could not do as well, and perhaps more expeditiously, perhaps with a greater degree of effectiveness and a greater degree of dispatch. I do want to say a few words about the remarks of the loquacious member for Bonavista-Twillingate, because he advanced the idea that the Conservative party prior to the 1957 election had promised a capital projects commission.

Mr. Pickersgill: That is right, at Moncton.

Mr. Flemming (Victoria-Carleton): I submit, Mr. Chairman, that maybe he thinks it is right, but it is wrong.

Mr. Pickersgill: I have the text of it here.

Mr. Flemming (Victoria-Carleton): I have the resolutions before me. This is what the candidates in the Atlantic provinces promised.

5. A capital projects program.

This, I submit, is a capital projects program.

Some hon. Members: Oh, oh.

[Mr. Lewis.]

Mr. Flemming (Victoria-Carleton): This is what it is. It is a capital projects program; there is no question about it. Anyone who uses the intelligence with which he is possessed will be able to see that. It is the carrying out of a capital projects program; there is no question about that whatsoever. I would now like to read on a little bit further. It is to provide federal capital assistance for provincial projects designed to enlarge the basic economy of the area. That is No. 5. In my opinion this board carries out that commitment to the letter. I can understand the hon. gentleman not being familiar with carrying out promises, because so many were broken in the government of which he formed a part. He is not very familiar with this sort of thing. Therefore I forgive him in that respect because he is not used to having them carried out.

Here is a 5-man board. I submit to the committee that this will be a proper sized board to conduct the business with expedition. There is another point, to which the hon. member for York South referred, that this bill in another clause provides for an executive director and for full-time people to be associated with it. In my opinion, Mr. Chairman, that is exactly what is required, a board which will meet regularly but will have as a basis an executive director and a staff which will be examining and inquiring into situations day after day. Then the board will meet and consider those situations in the light of the information which has been secured in the meantime.

Mr. Chairman, I have nothing more to add at this time. In my opinion this pretty well takes care of the objections. I would ask my hon. friend from York South if he would consider that a 5-man board might do a good job to start off with, and if it is found that it needs more people to make it more effective I am sure he will be the first to vote for an amendment to the bill, if it were brought in a few months or a year hence, or whenever it may be.

(Translation):

Mr. Caouette: Mr. Chairman, we have listened with great interest to the proposals made by the socialist party and the Liberal party to increase to fifteen the number of the members of the board, rather than leave it at five as suggested by this bill.

As we take it for granted that the Liberal, socialist or Conservative parties are in favour of abolishing unemployment in this country, I wonder, like my good friend from York South (Mr. Lewis) for instance, why we should not propose that this board be comprised of 1,500 members.

Why does not the hon. member for Bonavista-Twillingate (Mr. Pickersgill) propose that it comprise 1,500 members, all from his party, and why do not the Conservatives do the same thing?

The aim of that board is not to create jobs. I understand, of course, that if we appointed to that board people like the hon. members we have just heard, it might perhaps be wise to require 25 instead of 5, because it requires many not too intelligent people to replace a few intelligent ones.

In my opinion, for the efficient operation of this board, a total of five members is enough.

If five persons are enough to consider the problems of the Atlantic provinces and, closer to us, those of Ontario and Quebec—that is to say, problems of those provinces nearer to the Atlantic than to the Pacific—I suggest that we should appoint only five.

There is no need to drag on and kill time trying to find out whether it would be proper to increase the membership of that board. The bill proposes five intelligent members, and if they are, they will find the means of improving the present situation in the maritime provinces.

As I have just said, it is useless to talk about increasing the membership of this board. What is required is action.

Appointing commissioners, setting up a board made up of more or of fewer members does not solve anything. I suggest that five efficient, determined and well informed men can find the solution to the problem of the Atlantic provinces.

That is why we from the Social Credit party say that it is useless to increase the membership, as is advocated in the amendment. All the members need not be Conservatives; we might appoint a few Liberals because there are a few intelligent ones to be found here and there in Canada; there are not very many, but there are a few. We need not worry about the socialists; there is no need to look among them for they are not intelligent enough. The main thing is to appoint five efficient commissioners.

Let us find five intelligent persons to deal with the issues concerning the Atlantic provinces and we Social Crediters will wholeheartedly support the proposal.

(Text):

Mr. Pickersgill: Perhaps, since the hon. member for Villeneuve did take my name in vain I might say a few words at this point. While I thank the hon. member for Villeneuve for expressing the views of the Liberal party, may I say that unfortunately he did not express them correctly. I must say, though, that I am in complete agreement with the views he has expressed on the amendment. I do not think enlarging this board to 15 would add anything to it except 10 other persons. If the board is to be of any use at all—and I become increasingly doubtful about how useful it is going to be—I think it is more likely to be useful if there are only five people on it than if there are 15 and for that reason I do not think I can support the amendment, particularly as I do not have very much confidence in the kind of people who would be apt to be selected by the present government, if one might judge by the appointments they have made since June 18. So, speaking for myself, and a good many of those surrounding me, I shall not be able to vote for this amendment.

I do want to say, however, that I hope the best possible effort will be made to select those persons who are appointed to the board in such a fashion that they will represent not only the four provinces but a reasonable cross section of the main industries in the area.

Mr. Baldwin: I rose some time ago. I was about to raise a point of order on this amendment. I do not think it really matters, because the debate has been just as relevant to the original clause as to the amendment. I would point out, however, that there is some doubt as to the validity of this amendment which has been moved by a private member. I refer you, Mr. Chairman, to clauses 3, 5 and 10, which, taken together, say that this is to be a board composed of five persons. One member, the chairman, will be paid an honorarium the amount of which has been fixed. The remaining four will not receive remuneration but are entitled to reasonable living and travel expenses while absent from their ordinary places of residence. Later on in the bill it is provided that one meeting shall be held in Ottawa and the others at such places as the board itself may determine. It is therefore evident that unless every one of the members to be appointed resides in Ottawa, travelling and living expenses in respect of a board of 15 are going to be three times as much as those involved in connection with a board of five. It is clear that this would require the expenditure of money additional to that presently contemplated and I suggest, therefore, that you rule it out of order.

Mr. Lewis: I am not going to follow the last speaker and deal with the point of order he raised, because you have not said anything about it, Mr. Chairman.

I am not at all surprised that the hon. member for Villeneuve is opposed to any increase in the size of the board, despite the reasons we have given, because I have watched the hon. member both inside and outside this house and I am impressed by the fact that he has very little use for anything which is essentially democratic—for anything which genuinely represents the wishes of the Canadian people. The hon. member has not much use—

Mr. Caouette: On a point of order, Mr. Chairman—

The Chairman: First of all, let me point out to the hon. member for York South that his remarks, as far as they have gone, are not applicable to the amendment. I gather the hon. member for Villeneuve was rising on a point of order.

I might also advise the committee that the Chair was in some doubt about the admissibility of this amendment but did not intervene for the reason that clause 5(1) states that the members of the board shall serve without remuneration but are entitled to be paid reasonable travel and living expenses, which I interpret as a reimbursement, not as payment. I took it to mean that they would receive reimbursement for expenses they had incurred.

However, I would point out to hon. members one sentence which appears in May's sixteenth edition at page 706 under the heading "Disallowance of charging amendments moved in the house".

> No amendment offered to a bill or to a resolution reported from committee is in order if it either imposes a charge not contained in the bill or resolution reported from committee or increases the charge above that contained in the bill or resolution so reported.

As I indicated previously, I have given the mover of this amendment the benefit of the doubt in this case. I would have given the matter deeper consideration, perhaps, if one of the members of the committee had brought the point earlier to my attention. As things stand, I think I allow the amendment.

Mr. Winch: Did I gather, Mr. Chairman, that you propose to allow the amendment? I should like to point out that we are dealing with clause 3 which concerns the composition of the board and not with payment. That is dealt with in a later clause. If Your Honour has allowed the amendment, may I be permitted to say a few words on it? I shall not comment on the statements made by either the hon. member for Villeneuve or the hon. member for Bonavista-Twillingate, other than to say it is obvious that they want membership of the board to be restricted to five.

Under no consideration can this give democratic representation to the provinces and to the economic interests of the Atlantic region. Take it one way or the other: if hon. members opposite do not want democratic representation, they stand for something that this party does not stand for. I am not concerned with the point whether there should be 15 or less, but I am concerned with there being a change in the present wording of clause 3, which says that the Atlantic development board shall be restricted to five members.

We in this group want to make it very clear that we support the principle of an Atlantic development board, but we support it on the basis that it shall be a development board representative of all governments concerned and also representative of those sections in each province which bear upon the economy. In clause 2 the provinces—New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland—are named. There is provincial government representation on this board to the extent of four members out of the five. The chairman of the board makes up the fifth. But where is any representation of business, of farmers, of labour, of co-operatives and of credit unions? The present wording of the clause means that there is no representation of those who produce the wealth of the maritime provinces; there is representation only of the governments concerned, and there is an appointed chairman.

I was most interested in the remarks of the Minister of National Revenue. I tried to follow him most closely, but the more closely I followed him the less I understood him. Because, sir, it is impossible to consider clause 3, which outlines the board and its membership, unless you consider the responsibilities of that board. Those responsibilities are outlined in clause 9, and I submit you cannot consider clause 3 without considering clause 9 as well, because clause 9 deals with the objects and powers of the board. If you look at the objects and the powers contained in the clause, you will find that they are of such a nature that they would require not only a board larger than five members, but a full-time board larger than five members; and unless that is so this bill, which in principle I support, will mean nothing more than window dressing, and will be a white elephant introduced by the present government. May I also point out that in addition to considering clause 9 with clause 3 you must also consider clause 14. Because clause 14 gives powers to other than those representatives elected by the provincial governments. It is the technical, the scientific, the practical and the economic part of this bill. This clause says:

The board may engage on a temporary basis or for any period of not more than two years the services of persons having technical or specialized knowledge of any matters relating to the work of the board...

I suggest that if this bill is to have the sort of consideration I hope it will have, we must put together not only clause 3 and clause 9, but also clause 14. If that is done, it means that a board of only five members is just a sham; that the bill is window dressing leading up to a white elephant for the purpose of a probable general election. As far as we are concerned we want something done for the Atlantic provinces. We want it done on a democratic basis. We want full representation of all governments. That is why we have moved an amendment to increase the membership from five to 15, so as to make the board something realistic and effective, and which will produce results, instead of having a bill which will be passed by this house for no particular reason and to accomplish nothing at all.

(Translation):

Mr. Caouette: Mr. Chairman, listening to the members in the far corner of the house, you would think they are the only democrats in Canada.

It is precisely the socialists, those who shout, like my hon. friend—

(Text):

Mr. MacInnis: Mr. Chairman, on a point of order I should like to suggest that the hon. member for Villeneuve is again practising what he is famous for both in this house and across the country.

Some hon. Members: Sit down.

The Chairman: Order. The committee has before it an amendment to increase the size of the Atlantic development board from five members to 15. That is what is under discussion. What we have heard so far from the hon. member from Villeneuve is not applicable in the narrow sense to the amendment under discussion. There may be some remarks he wishes to make which would be more appropriate at some other time.

(Translation):

Mr. Caouette: Mr. Chairman, at this stage, while keeping within the suggestion to increase from 5 to 15 the number of members of this board, we still retain the right to refute what was just said by the socialists in this house.

Listening to them, one would think that they are the only democrats in Canada, when the true socialists of the world are the communists in Russia who are the closest to those people.

(Text):

The Chairman: Order. I have to rule that the remarks of the hon. member on this amendment to a clause of the bill at this point of the debate are out of order. Is the house ready for the question?

Some hon. Members: Question.

Mr. Aiken: Mr. Chairman—

Some hon. Members: Oh, oh.

Mr. Aiken: Mr. Chairman, I have been trying to get your eye to raise a point which I think the committee should consider before proceeding to vote on this particular amendment. A point was raised that the amendment was out of order because it was making a charge upon the treasury, but there is a more basic matter I should like to draw to Your Honour's attention.

The Chairman: The Chair has ruled affirmatively on the admissibility of this amendment, so there is no argument on that question, unless the hon. member has some different grounds.

Mr. Aiken: Mr. Chairman, I should like to raise this matter as a point of order, but if when I have finished Your Honour thinks I am out of order, I still think it is basic to voting on this clause. Briefly, it is this. The bill provides for a small group, and if the members of the committee will examine the various clauses such as clause 3 which we are now considering, clause 4 which deals with alterations in the membership in the board, clause 6 which provides that three members shall constitute a quorum, and various other clauses, it can easily be seen that the basic principle of the bill is to set up a small committee of five members. It is on this basis that the bill was originally approved. My point is that to change the number of members of the board from five to 15, as the amendment proposes, is in effect to change the entire principle of the bill and for that reason the amendment should be ruled out of order.

Mr. Winch: I rise on a point of order.

The Chairman: Order. The hon. member for Parry Sound-Muskoka is speaking to a point of order. I will have to hear him out first.

Mr. Aiken: I was going to add that I think this is a basic point which was not considered by the committee previously, and if we do not consider it now we will have to consider it when we come to the other clauses, because as each one is reached we will be altering the bill further and creating a principle entirely different from the original one. If after hearing my remarks, Mr. Chairman, you think I am out of order, may I say that I still think this is a principle which should be considered before we vote on this amendment.

The Chairman: Unless some member of the committee wishes to add something, perhaps I may be allowed to dispose of this point right away, and I have no difficulty in doing so. My view is that the amendment offered now does not broaden the scope of the bill particularly or change the principle of the bill. I think that the other clauses referred to by the hon. member for Parry Sound-Muskoka would have to be amended by action on the part of the same members of the house as a direct consequence of their first amendment, and therefore I would assume that they would follow through with the additional amendments which I also anticipated in looking over the bill as a whole. That is my reasoning on that particular point, and that is the way I think it should be disposed of.

Mr. Winch: That is exactly the point I wanted to draw to your attention a few moments ago.

Mr. Martin (Essex East): Mr. Chairman, I wish to ask the minister if he can tell the house—I do not believe he has done so—whether it is the intention to see to it that the four provincial areas will be represented on the board. In that event what does he propose to do about the various segments of opinion and groups which might be said to represent the economic avocations?

If the minister would give some explanation of his intention in this regard it might be helpful to some of us who are a little disturbed at the moment as to what should be the numerical composition of the board. I think the hon. member for York South suggested that he was not wedded to 15 as proposed in the amendment and it may be that some compromise can be reached. This will afford an opportunity for the minister to explain exactly how the government intends to appoint these members up to the number of five. If in the employment of the method the minister has in mind it is not possible to reach the main segments in the Atlantic area and take into account the four provincial regions perhaps a higher number than five may be desired, though not necessarily 15. The hon. member for York South has suggested a compromise which I think should cause the minister to explain more clearly than he has, and with greater precision, exactly what the government has in mind with regard to the basis on which it is going to appoint these people.

The Chairman: Is the committee ready for the question? Those in favour of the amendment please rise.

[Mr. Aiken.]

Mr. Martin (Essex East): Before the amendment is put, may I ask him if he has any views to give in answer to my question?

Mr. Jones: He has already answered it.

Mr. Flemming (Victoria-Carleton): I would be very glad to answer the question of the hon. member for Essex East to the extent of my limited knowledge of the future. I am sure he would be the first to admit that it is difficult to predetermine every detail of every bill that comes before the house, but the hon. member can be sure that there will be the greatest possible disposition to see that all economic segments as well as provincial areas are represented, if for no other reason than to avoid the criticism which he himself would level. I think he will be the first one to admit that it will be the desire of the government to have every segment of the population, economic, political and otherwise, represented in one capacity or another.

Mr. Winch: By five on the board?

Amendment (Mr. MacInnis) negatived: Yeas, 13; nays, 121.

Clause agreed to.

On clause 4—*Appointment of members.*

Mr. MacInnis: Mr. Chairman, having in mind what has happened to the last amendment, I hope that the Liberal members of the house will be a little more anxious to support us on this one. In view of the political appointments made by the government during the past couple of months, I think this amendment is most desirable. I therefore move—

The Chairman: Order. The hon. member for Mercier on a point of order.

(Translation):

Mr. Boulanger: Mr. Chairman, on a point of order. A few minutes ago, we heard an N.D.P. member complain that the French speaking members were speaking so fast that he could not understand them. For the information of the hon. member who has just resumed his seat, I must say that he, himself, speaks too quickly in his own language and that I find it hard to follow the interpretation of his remarks.

Mr. MacInnis: Mr. Chairman, I have no difficulty in understanding French.

(Text):

Mr. Chairman, dealing with clause 4, I should like to move that subclause 1 of clause 4 be deleted and the following substituted therefor:

> Each of the members of the board shall be appointed to hold office for a term of three years except that of those first appointed, one shall be appointed for a term of one year and two shall be appointed for a term of two years.

The reasoning behind this is, as I say, there is a tendency for certain political appointments to be made to boards of this kind. This is a very important board and we may be stuck with a dud for three years. This way, we can get rid of him. However, if they happen to do a good job, they can be reappointed very easily.

Some hon. Members: Question, question.

Amendment (Mr. MacInnis) negatived: Yeas, 56, nays, 74.

The Chairman: I declare the amendment lost. Shall clause 4 carry?

Mr. Martin (Essex East): No, Mr. Chairman. Will the minister explain why there is no provision in this clause for the appointment of a member during good behaviour. This provision is in the other bills, one of which has already been introduced in this house and two of which have yet to be introduced. This is the usual policy in respect of members appointed to bodies by parliament. Will the minister explain why the phrase "during good behaviour" has been left out of this bill?

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I can understand the hon. member for Essex East raising this point under ordinary circumstances, but what he is completely overlooking is the fact this board will be composed of members from the maritimes.

Mr. Martin (Essex East): I must say that the minister has given a clever retort. He is to be congratulated on his retort, of course, but this does not take care of the gap in this bill. It is conceivable that the government might appoint a Liberal to this board.

Some hon. Members: No, no.

Mr. Martin (Essex East): This is doubtful, but in that event I am sure the minister would find occasion, or some reason for saying that there was a lack of good behaviour. In any event, this is bad draftsmanship. The minister does not want to introduce a measure which would stand unique in this particular. I suggest he ought to add those words in both 4(1) and 4(2). I would suggest that in 4(1), line 21, after the word "board" there should be added the words "during good behaviour".

Mr. Flemming (Victoria-Carleton): With great respect, Mr. Chairman, I submit that the insertion of the words "during good behaviour", while they may be legally desirable, would not be practicable in relation to an advisory board which we hope would consist of outstanding men who would be giving their services without remuneration. I believe such men should not have a clause in the bill reflecting on their behaviour.

If this were a board, the members of which receive a large salary and there was grave danger of a disservice being done to the object of the board by an improper appointment, which I do not for a moment admit, then I could see some merit in the hon. member's suggestion. In this particular instance, for the reason which I gave first and then for the reason that I think the men are really donating their services, I could not accept such a suggestion. If this legislation were being introduced by the hon. member for Essex East, I believe the same thing would apply. Men who are donating their services should not be hamstrung with a phrase reflecting on their behaviour.

Mr. Pearson: The minister has given a very ingenious explanation for the omission of these words which are customary in clauses making provision for appointments of this kind. He has said that the gentlemen appointed to this board will be outstanding citizens and therefore their good behaviour could be taken for granted; it would be something almost invidious to put in words about good behaviour. The minister should be reminded that even in connection with such an important board as the national economic development board, the appointments to that board are to be made during good behaviour. Are we to draw the inference from the inclusion of these words in connection with one board that appointments to that board are not being considered on the same kind of high level of objectivity and unselfish behaviour that the members of the Atlantic board will be expected to observe?

Mr. Winch: In view of the statement just made by the Leader of the Opposition—I think I got it right—that it would be invidious to put in the words "good behaviour", in connection with appointments to this board, and in view of the fact there is an amendment by the hon. member for Essex East that these words be included, does he thereby infer that there is a difference in behaviour when Liberals are in opposition and when they are in government?

The Deputy Chairman: Order. I must say to the hon. member for Vancouver East that we have no amendment on the table.

Mr. Martin (Essex East): Mr. Chairman, I will move, seconded by the hon. member for Bonavista-Twillingate—

Mr. Pickersgill: You do not have a seconder in committee.

Atlantic Development Board

Mr. Martin (Essex East): —that in line 21, clause 4, after the word "board" there shall be added the words "during good behaviour". The rest of the clause continues as it is.

Mr. Winch: May I ask one question, Mr. Chairman? This is something which over the years, provincially and federally, has intrigued me. The hon. member for Essex East now sits in opposition but for many years he sat in government. Now, having moved this amendment will he please explain from either place, in government or in opposition, what is the interpretation in law of the term "during good behaviour"?

Mr. Martin (Essex East): Well, Mr. Chairman, as my hon. friend knows it is not customary for the government to give any legal opinions to the House of Commons. That precedent has been well established by the Minister of Justice. But as I think the question is a proper one some kind of legal opinion should be forthcoming. The phrase "during good behaviour" is used in all statutes. It is part of the technique of good draftsmanship and it means precisely what it says, that a man shall hold office during good behaviour.

The courts on one occasion have said that a person appointed to serve as a member of a workmen's compensation board could not be said to have complied with the requirement of "good behaviour" when, outside of the office which he occupied, in a speech having to do with the administration of the workmen's compensation board he complained about the administration of the board of which he was a member. The courts held he acted contrary to the standard of "during good behaviour." This is a demonstration of the meaning. It is a symbolic definition which I am sure has touched the perceptive mind of the hon. gentleman.

Mr. Winch: May I just say, sir, that I thank the hon. member for Essex East for his explanation. Even now in opposition he shows that he learned the lessons of cabinet very well, to answer a question without giving any information.

The Deputy Chairman: Is the committee ready for the question? Those in favour of the amendment please rise.

Mr. Fleming (Eglinton): Mr. Chairman—

Some hon. Members: Oh, oh.

The Deputy Chairman: Order. I think the Minister of Justice has a few words to say.

Mr. Pickersgill: Not after the vote was called.

[Mr. Pickersgill.]

The Deputy Chairman: Order. All those in favour of the amendment please rise.

Amendment negatived: yeas, 61; nays, 71.

Clause 4 agreed to.

On clause 5—*Travelling and living expenses.*

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I was going to ask my colleague, the Minister of Fisheries, to move an amendment.

Mr. MacLean (Queens): Mr. Chairman, I move:

That Bill C-94, an act to provide for the establishment of an Atlantic development board, be amended by striking out subclause (2) of clause 5 thereof and substituting therefor the following:

(2) Notwithstanding subsection (1), the chairman of the board may be paid such amount per annum as an honorarium as may be approved by the governor in council.

Some hon. Members: Oh, oh.

Mr. Argue: What about the rights of parliament here?

Mr. Pickersgill: Mr. Chairman, I would like to raise a point of order. It would appear to me that the effect of this amendment would be to raise a charge against the exchequer, and it is a well known rule of the house that no charge may be imposed on the exchequer without a message from the crown. There has been no message from the crown to provide for this additional payment, which is over $3,000 as the minister has told us, and indeed according to the wording here could be quite unlimited. Indeed it could be almost anything that they consider this gentleman worthy of, whether he was of good behaviour or not.

It seems to me that the committee just cannot proceed under the rules with this amendment until the minister has brought in a resolution and indicated that this additional expenditure has been recommended to us by His Excellency, just as was done by the Minister of Finance this afternoon when he brought in the resolution for the increase in salaries of public servants.

Mr. Knowles: Mr. Chairman, I have had very few opportunities this session to come to the defence of the government, but I cannot resist this opportunity to remind the hon. member for Bonavista-Twillingate that the resolution that preceded this bill did not state any maximum amount of money that might be spent under it. As a matter of fact that is why we felt earlier that amendments to this bill increasing the size of the board or providing for extra expenses could be made from this corner, because the resolution preceding the bill, which was passed on

December 4, does not fix any maximum amount so far as salary, expenses or any other item is concerned. Beauchesne's fourth edition, citation 251, says:

> It may happen that the resolution sanctions some expenditure without fixing the maximum amount to be spent. If, for instance, the resolution recommends that adequate salaries be paid a newly constituted body and the amounts of the salaries are fixed in the bill based on that resolution, the committee on the bill has the right to increase those amounts, because, in doing so, it does not go beyond the scope of the royal recommendation.

Therefore, Mr. Chairman, I feel that the amendment is in order. But I want to make it clear that the reason I am so ready to protect the government's right to move an amendment of this kind is that I want to protect our right to do the same thing.

Mr. Lewis: Mr. Chairman, may I ask the minister whether it is the intention that the chairman be a full-time person? Is the present amendment designed to make him a full-time member of the board, or is it, as it now reads, still to be a spare time avocation, the honorarium of which may be higher than $3,000 a year?

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I think a few days ago when we were debating another part of the legislative passage of this bill I explained that I proposed to offer this amendment and gave as my reason the fact that there were various matters which entered into the setting of the salary. One would be the amount of time that a man gave; another would be the type of man who was engaged for the purpose; another might be even the results achieved. All these items, I submit, would be factors in the determination of the salary. I cannot answer categorically the question asked by the hon. member for York South because it is as yet undetermined who the chairman shall be.

Mr. Byrne: Mr. Chairman, on the point of order, while it may be quite true that under the rules the committee is permitted to change the amount of remuneration for any person appointed to a board, I should like to point out that the committee is not at this time setting the amount of remuneration; it is still leaving the amount open to be dictated by the members of the government. I should think it was not in accordance with the rules of the house to leave an open amount for the minister to pay at his pleasure. I am sure the minister must know at this time what he expects of the chairman of this board. It should not be determined on what we may expect the board to do, or be doing several years from now. The government should know precisely what they wish to have this chairman undertake. I am sure this committee should know the amount the chairman is going to be paid before it passes this bill.

Mr. Pearson: Mr. Chairman, I cannot conceal my astonishment at the explanation given by the minister for this particular amendment in the form in which it is put. He has told the committee that one reason why it is impossible to be more specific on this matter than is the case is that the remuneration of the chairman or the payment to the chairman will have to be decided in the light of certain factors. Surely when we are setting up a board of this kind the government knows what it expects the chairman to do, and surely it must have in mind the compensation he should receive for the duty he is to perform.

The minister said there are certain factors which have to be taken into consideration before we can decide what we will pay him. One of these factors is the number of hours he will spend at work, how much time he will give to his duties; another is the kind of man he may be. If he is one kind of man he will get one salary, if he is another kind of man he will perhaps get a different salary. Even more surprising, the minister said that he will be compensated by the results achieved. How can the minister decide now, before the man is appointed, how much to give the chairman of the board on the basis of the results achieved? It seems to me to be an extraordinary way to proceed in respect of an appointment of this kind, which is so important for a board which the government has told us is going to be so important.

(Translation):

Mr. Gregoire: Mr. Chairman, speaking for myself and not on behalf of my party. I want to say that I am opposed to this amendment for a number of reasons.

First, it is tantamount to writing out a blank cheque in favour of the government for a new post which is to be set up. No mention is made of any salary. All that is said is that the salary will be proportionate to the results obtained. But judging from the salaries paid to officials according to the results obtained, we see that the official with the highest salary, namely $75,000 per annum, is the head of an organization which shows the highest deficit: $70 million a year.

If that is the way salaries are determined, I believe that the incumbent will make sure that he comes up with the heaviest deficit in order to receive the highest salary.

I am also opposed because I have noticed that the higher the salary some officials get, the more arrogant they are. Evidence of that was given us recently. And I wonder also if

it is not a post that is to be offered to the president of the Canadian National Railways, whose resignation everyone is asking for.

The Deputy Chairman: Order. I am sorry but I have to point out to the hon. member for Lapointe (Mr. Gregoire) that he cannot link the amendment under discussion to the behaviour of an official, whoever he may be and whatever the crown corporation he is connected with.

I would ask the hon. member to limit his remarks to the subject matter of the amendment itself.

Mr. Gregoire: To continue, it is quite simple. I have given an example, and that is why I am against the proposed amendment. An amount should be set and if, later, there is need to change it, that could be done through an amendment to the act. That is done all the time; why should it be impossible in this case?

(Text):

Miss LaMarsh: Mr. Chairman, there is a question I would like to pose to the minister with respect to the amendment offered. It is apparent since this legislation was in the resolution stage and has been given considerable publicity that this is one of those emergency measures of which the government spoke so frequently, otherwise I presume it would not be before the house before Christmas. I wonder whether the government has in fact already inquired of suitable people as to whether they might find a chairman, and whether $3,000 a year would be sufficient for anyone who is qualified; or has the government, following its usual practice, decided that amongst those defeated Conservative members of the 1958 parliament there may be someone who wishes a greater honorarium and they have thus decided, without being able to say to whom they will give the job, that they require a blank cheque from parliament in order that they may pay it to the person who offers to come for the least amount of money? I have not been very long in the house. This is the first time I have been asked to give a blank cheque in order that a position might be filled. Surely the minister must have some idea of what will be required to pay any individual who undertakes this function. I suggest the committee should not be asked to give the government a blank cheque with respect to this amendment and, if asked, that it should never consent.

Mr. Deschatelets: This amendment was introduced by the Minister of Fisheries. Surely the committee is entitled to hear from him the real reasons or justification for this amendment.

[Mr. Gregoire.]

Mr. MacLean (Queens): During the course of the debate there has been some objection, I believe, to limiting the salary which is proposed for the chairman of this important board. There have been some remarks made in the committee tonight, some by the hon. member for Niagara Falls and by the hon. member for Cape Breton South which are, in my opinion, unworthy of the hon. members concerned. They implied, for example, that ladies and gentlemen of this country who have a deep sense of public service and who have often at great inconvenience to themselves, offered to stand for parliament are in some mysterious way thereby reduced in the public esteem to some category which would not allow them to serve on any public board. That sort of attitude is, in my humble opinion, contemptible, and it reflects very badly on the thinking of those who make such statements. We are Canadians, and there are many people in this country who were proud to serve this nation in various capacities. During the war, for example, there were hundreds of Canadians who served for a dollar a year.

Miss LaMarsh: I only got ninety cents a day.

Mr. MacLean (Queens): They should have made it 89 cents a day and made it look like a bargain.

Miss LaMarsh: I am sure the minister would wish to withdraw that last remark, because 90 cents a day was the amount paid to thousands of Canadian women who served in His late Majesty's uniform.

Mr. MacLean (Queens): I shall be glad to withdraw that remark if, by making it, I cast inadvertently any reflection on any woman who served during world war II. But I want to say this: during the war many Canadians served for a dollar a year. There are many citizens of the maritime provinces who are deeply concerned with serving their area in particular, and it is quite possible that someone might come forward who did not wish to receive any remuneration except a nominal one. On the other hand, it might be advisable to provide a fairly substantial salary. This is a matter to be left to the governor in council.

As far as the point raised by the hon. member for Bonavista-Twillingate is concerned, the resolution already passed by this house does not limit in any way the amount which might be provided, as the hon. member for Winnipeg North Centre has already pointed out. That, in a few words, is my understanding of why this amendment has been made. That is my reason for moving it

—so that there may be flexibility in this regard; so that there may be some variation depending on circumstances.

Mr. Martin (Essex East): I think those of us who have followed the debate in the resolution stage and on the bill itself thus far have been impressed by the way the minister has conducted himself as the spokesman for the government. But I think tonight he has not done himself justice, nor has he lived up to the high standard which he had set for himself in the period preceding tonight's discussion.

To say to this committee now, that the government has no idea what the salary of the chairman is to be, to suggest that the government is not clear about the amount of time the chairman will spend in the discharge of his duties, to remind us that the minister is not clear as to the kind of person he has in mind, is to establish without any doubt that we are justified in assuming that, notwithstanding what was desired, this bill is nothing more than a façade, that this bill does not represent the endeavour which the minister said was his in seeking to provide an instrument to deal with the serious economic problems which face the Atlantic provinces.

In clause 4 and all the subclauses thereof it is provided that not one member of the board, including the chairman, will be expected to spend his full time in the discharge of his duties. I hope it is not contrary to our rules to refer to bills which are not yet before us—no exception was taken when my hon. friend the Leader of the Opposition spoke a few moments ago. But it will be found that in the other bill which is shortly to be discussed in this house the chairman is expected to spend his full time in the prosecution of the assignment given him, for the simple reason that it is not possible to discharge such an obligation unless he does devote his full time to the assignment. The government claims this Atlantic development board is to serve a useful and substantial purpose. If the minister says to us, as he has indicated, that it is not yet determined how much the chairman will receive, that it is not yet determined how much time he will spend in the discharge of the duties assigned in clause 9, then it is clear that this bill is not intended to do the job which well meaning members of this house, notwithstanding their criticism, have assumed was the intention behind this measure.

The Atlantic provinces face some serious problems. They have the highest level of unemployment of any region in our country —a greater percentage of unemployment in the work force. Is it to be assumed that this problem is going to be corrected by a chairman whose salary is indeterminate, by a chairman who will not be expected to spend his full time in the discharge of his obligations? Surely the minister does not want us to persist in pointing out the absurd position into which he has been driven as a result of the uncertain policy which apparently, his colleagues have imposed on him in their unwillingness to state in this clause how much is to be paid to the chairman. Surely the minister now has in mind who is to be the chairman. Surely he knows how much that person is worth. Surely he knows that that person will be able to work X number of hours. I would contend that if this job is to be done properly he should devote his full time to it, and that he should be well remunerated for so doing.

The history of this clause is revealing. Hon. gentlemen, when confronted with this subsection, noted that the chairman was to receive only $3,000. They concluded, and I think quite properly, that if a man was going to be paid only $3,000 a year, he could not possibly be expected to spend his full time at the job, and that if he did not he was not the kind of person to whom should be entrusted the responsibility which is being provided for under this act. I say to the minister that he has handled this bill, in my judgment, as adroitly and efficiently as any member of this government has been able to demonstrate his or her capacity so to do, but he does not do himself justice when he allows himself to let rest the explanation which he gives. One might expect that kind of explanation from the Minister of Justice, but one would not expect that the present minister with his experience as head of a provincial government and with the sincerity which obviously he had when he introduced this measure, would give this sort of explanation. I appeal to him to take the house into his confidence. When the government formed this board, in concept at any rate, it must have had in mind the kind of chairman it wanted. It must have had in mind an outstanding person, I presume in the Atlantic provinces, one who knows the Atlantic provinces, who is aware of the problems facing the fishermen, the farmers, and those engaged in the factories and the universities, the kind of person who could represent the four different provincial regions. That kind of person obviously must be a man of considerable competence. We ask the minister to tell us whether or not this bill was drawn up simply because the government was hard put to demonstrate that it had a program to meet the problems, which are now of an emergent character, and that it was not resorting to this particular technique—as has been done

by the government on other occasions—of introducing a measure which looks good but which lacks, on examination, any substance whatsoever. If the minister tells us tonight—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): I am glad I have given my hon. friends and particularly the Minister of Justice, some cause for merriment.

Mr. Fleming (Eglinton): You have given us some bad grammar.

Mr. Martin (Essex East): I can assure hon. gentlemen that the explanation the Minister of Fisheries and the Minister of National Revenue have given tonight will not go down well with the Atlantic provinces. They expect something more from this government. If the government has in mind—

Mr. Bell (Saint John-Albert): Mr. Chairman, on a point of order, they got nothing from the Liberals for 22 years.

Mr. Martin (Essex East): Mr. Chairman, I always appreciate the interventions of the hon. member for Saint John-Albert. They always consist of single sentences which are so incomprehensible that even on reflection and upon re-reading they are not understood by himself.

The Minister of Fisheries said that it may be that the analogy of the dollar-a-year man will apply, and that perhaps someone who does not need assistance or remuneration by the crown will take on this responsibility as a voluntary assignment. I am sure that there are many people in the Atlantic provinces who are capable of fitting in with this concept which the Minister of Fisheries has in mind. But in such an event there would be no difficulty in such person returning the salary which might be given under this bill to such a chairman.

The minister said that the bill is intended to represent a serious endeavour; that it is an attempt to provide the government with an advisory body to deal with the fundamental economic problems which face the Atlantic provinces. If that is the case I suggest that the minister take this subsection back to his colleagues and tell them he is embarrassed by the explanation they have caused him to make tonight. Then let him come back and tell us that he has in mind somebody who will spend his full time on the job, who will be paid a salary adequate to the demands which will be made upon him. No explanation less than this will satisfy this house. No explanation less than this will satisfy the Atlantic provinces. Anything less than this will be evidence of an intention on the part of the government to introduce in this bill something that looks good in form but which is not capable, in its very wording and provisions, of doing anything substantial to help the Atlantic area.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, the observations made by the hon. member for Essex East are not the observations that one would expect from someone who had read the bill through. If the hon. member would read the bill he would find that the executive director is the full time servant of the board. It was never necessarily intended that the chairman would be full time. If he has not taken the trouble to read the bill, then I am not responsible for his lack of perception. But he himself is responsible if he has not read the bill through and is not familiar with all its details. Therefore I suggest that he read the bill through, because he will find the answers to most of the points he has raised. I would say this to him, that I am not particularly worried about how the people of the Atlantic provinces will take this bill. They will consider that this bill is a forward step, and much more than they ever got from the government of which he was a member. Whenever the Atlantic provinces wanted something, no matter how much—

The Deputy Chairman: Order. It being ten o'clock shall I rise, report progress, and request leave to sit again?

Some hon. Members: Agreed.

Clause 5 stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Mr. Speaker, I wonder if I could inquire from the house leader if the government has decided what they are going to bring forward tomorrow?

Mr. Churchill: A continuation of this particular bill, Mr. Speaker, on the general understanding that, having started a bill, we will try to carry it through to completion. That having been finished, we will then go on with the national economic development board, and on Wednesday the Minister of Finance will be prepared for interim supply. Immediately after orders of the day tomorrow I should like to consult with the house leaders of the various parties, now that we have an idea of how much progress we can make this week.

It being three minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, December 11, 1962

The house met at 2.30 p.m.

(Translation):

AIR TRANSPORT

BAGOTVILLE, QUE.—REPORT ON ACCIDENT

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, I have here the report of an accident involving an R.C.A.F. Voodoo aircraft and a T.C.A. Viscount, which occurred at Bagotville on October 10, 1962. This report is rather lengthy; it covers three pages. May I ask permission to put it on record?

Mr. Speaker: The minister would like to make a report on an air collision which occurred at Bagotville. Does the house agree to have that report put into *Hansard*?

Some hon. Members: Agreed.

Mr. Sevigny: On October 11, 1962, my colleague, the Minister of National Defence, reported to the house that, on the previous evening, an accident had occurred at Bagotville which involved a Voodoo R.C.A.F. aircraft and a T.C.A. Viscount.

At that time he stated that a complete report would be made when the official board of inquiry had been completed.

The board of inquiry has been completed on this accident and reveals that the crash occurred as a result of the aerodrome control officer issuing take-off clearance to the Voodoo aircraft before the Viscount was clear of the runway in use.

The circumstances which led to the accident are as follows. As the T.C.A. Viscount landed at 7.49 p.m., clearance was given to the R.C.A.F. Voodoo to line up on the runway and hold its position. After the Viscount had landed, the aerodrome controller cleared it to proceed to the terminal building via the first intersection. The Viscount was observed by the controller to commence a turn to the left at the first intersection. He then gave take-off clearance to the Voodoo but, at this point, his attention was momentarily diverted to other traffic on the airfield. When the controller next observed the Viscount, he saw that it had not, in fact, completed the turn off at the first intersection and had continued on down the runway to the next intersection.

After being given clearance to taxi onto the runway, the pilot of the Voodoo lined up at the take-off position and observed the Viscount commence a turn to the left before he received take-off clearance. He then applied take-off power and checked his instruments before releasing the brakes. After cutting in his afterburners during the take-off run he again checked his instruments and then as he looked up he saw the tail of the Viscount immediately in front of him. As he had just gained flying speed and was about to retract the undercarriage, he pulled back on the control column as hard as he could in an attempt to avoid a collision. The pilot then heard a loud crash and ripping sound and the Voodoo aircraft started to go out of control. He managed to gain sufficient altitude with his disabled aircraft to enable a successful ejection.

The investigation revealed that the Voodoo struck the tail section of the Viscount just as the Viscount was commencing its turn off runway. The entire roof of the Viscount was torn out by the Voodoo undercarriage but the wheel travelled through the cabin between the seats missing the majority of the passengers. The two exceptions were the stewardess who was killed instantly and a passenger who was seriously injured at the time and subsequently died.

To attempt to eliminate the possibility of further accidents of this nature, steps have been taken to ensure that all aircraft are well clear of the runway in use before a departing aircraft is cleared for take-off.

Claims by persons who suffered injury or loss in this unfortunate accident have been made and settlements are being negotiated at present—but until such time as the negotiations are brought to a successful conclusion or adjudicated upon by the proper court, it would not be in the interests of either the claimants or the crown to make a statement concerning legal responsibility for this accident.

PRIVILEGE

MR. GREGOIRE—REQUEST FOR RESTORATION OF QUESTION TO ORDER PAPER

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): I rise on a question of privilege, Mr. Speaker, and I should like to state the facts immediately.

It would seem that some people want to impede members in the accomplishment of their duties, or at least to practice obstruction concerning the questions they ask. Thus, some time ago I inserted a question on the order paper in which I asked what was the length of service with the C.N.R., the qualifications and the experience of the 28 senior officers which I named one after the other. The reply was as follows:

> The policy of the management on the questions which have been asked has been explained many times—

It was pointed out that:

> —it is not the management's policy to supply information from confidential files on officials or employees; this policy has met with the approval of the sessional committee on railways, airlines and shipping. Appointments are the result of judicious appraisal of the competence and experience of incumbents.

The information I was seeking in connection with the 28 officers of the C.N.R. is not privileged information; it only deals with their length of service, qualifications and experience. Yet the answer was that it was not customary to give such information. That is why I am requesting the reinstatement of my question on the order paper so that the house may be given an informative answer.

Mr. Speaker: Order. If the hon. member looks up the rules, he will notice that his point of privilege is not actually what it purports to be. If he is not satisfied with the answer, as I said the other day, there may be grounds for grievance, and the hon. member will have an opportunity to submit such grievance to the house in due time. Furthermore, and this has been stated time after time, a member has no right to comment on the nature of the answer given him.

Therefore, his question of privilege was out of order—

Mr. Gregoire: Mr. Speaker—

Mr. Speaker: Order. As for his request to put back his question on the order paper, I must ask him to study the rules of the house and most particularly Beauchesne's citation 171, I think, to the effect that questions cannot be repeated.

[Mr. Sevigny.]

Mr. Gregoire: Mr. Speaker, on a point of order. It is not only about that question; the same goes for all questions we ask about the Canadian National Railways company. We can never obtain an adequate answer.

Mr. Speaker: Order. Once again—

Mr. Gregoire: Mr. Speaker, if you will kindly allow me to complete my remarks—

Mr. Speaker: Order. The hon. member cannot insist. He understands the rules as well as the others, and I would refer him to Beauchesne's citation 181, which can be found at the bottom of page 153, and which reads as follows: "A refusal to answer cannot be raised as a question of privilege, nor is it regular to comment upon such refusal." Therefore, the hon. member cannot rise on a question of privilege and, as I indicated to him a moment ago—and I hope that will be the end of the discussion—if he has any grievances to submit to the house, he will have the opportunity of doing so in due course, but he cannot do so now.

[*Later:*]

Mr. Gregoire: Mr. Speaker, I would like to raise a point of order concerning a ruling you made on one of my questions.

I had referred to section 3 of citation 181 of Beauchesne. According to Beauchesne, it is understood that a minister may decline to answer a question without stating the reason for his refusal.

Now, Mr. Speaker, because of the answer given by the Minister of Transport to a question appearing in my name on the order paper and which reads as follows:

> —the management of the Canadian National Railways informs us that the information concerning that question was given at the hearings of the sessional committee on railways, airlines and shipping.

I think paragraph 2 of citation 181 in Beauchesne would apply better in this case than paragraph 3—

Mr. Speaker: Order. Would the hon. member please refer to paragraph 3. I have given my ruling and he cannot question it.

Mr. Gregoire: Mr. Speaker—

Mr. Speaker: And I will indicate to him once and for all that the practice followed in this house is in keeping with paragraph 3 of citation 181 in Beauchesne. Now—

Mr. Gregoire: Mr. Speaker, if you would allow me to state my point—

Mr. Speaker: Order.

Mr. Gregoire: Mr. Speaker, I feel I should at least be permitted to state my views on the matter.

Mr. Speaker: No. I have indicated to the hon. member that a ruling had been made. He is free to resort to a certain procedure, but the rule is this: the refusal to answer cannot justify a question of privilege. The hon. member is asked to kindly resume his seat while the Chair states—

Mr. Gregoire: I object, Mr. Speaker.

Mr. Speaker: I hope the hon. member is not trying to get a rise out of the Chair. I remind him that the rule is really as I indicated, and the matter is closed.

Mr. Gregoire: Mr. Speaker, I rose on a point of order to state my case. The minister did not refuse to reply to my question, he gave me an answer—

Mr. Speaker: Order. I have been patient with the hon. member. I ask him to resume his seat and to let the house proceed to another matter.

(Text):

TRADE

WHEAT—REPORTED DELAY IN NEGOTIATIONS FOR FURTHER SALES TO CHINA

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Trade and Commerce, in the absence of the Minister of Agriculture, whether he can comment on the reports that the negotiations for further sales of wheat to communist China under the current agreement are being held up because of the Chinese demand for better credit terms.

Hon. George H. Hees (Minister of Trade and Commerce): Yes, Mr. Speaker. As hon. members are aware, a delegation from the Canadian wheat board has been negotiating a further sales contract under the long term agreement. No information is available that those negotiations have been concluded. I wish to assure the house that it will be informed in the usual manner as soon as it is possible to do so.

Mr. Hazen Argue (Assiniboia): A supplementary question, Mr. Speaker. I wonder whether the Minister of Trade and Commerce could inform the house when his colleague the Minister of Agriculture will return, since the Minister of Agriculture is quoted as saying that he is awaiting an opportunity to make this announcement in the house.

Mr. Hees: Tomorrow, Mr. Speaker.

REPORTED EXPORT RESTRICTIONS ON CANADIAN SUBSIDIARIES OF U.S. COMPANIES

On the orders of the day:

Mr. W. L. Gordon (Davenport): Mr. Speaker, I would like to address a question to the Minister of Trade and Commerce. In the light of the statement made in Chicago yesterday by the Ontario economics and development minister, Mr. Macaulay, as reported in the *Globe and Mail*, will the minister say whether United States branch plants or subsidiaries in Canada are in fact prevented by their parent companies from accepting export orders?

Mr. Speaker: Order. I think the hon. member will recognize that he is, directly or indirectly, inviting the Minister of Trade and Commerce to comment upon the statements of a minister not of this ministry but from outside this house. Under those circumstances and in view of the way he has put his question, I am afraid it is not acceptable.

[*Later:*]

Mr. Gordon: Mr. Speaker, without reference to any comments or reports in any newspaper whatever, may I ask the Minister of Trade and Commerce whether United States branch plants or subsidiaries in Canada are in fact prevented by their parent companies from accepting export orders.

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, the hon. member is obviously referring to a statement made in Chicago yesterday by—

Mr. Speaker: Order. If the previous question was quite improper, the minister is now also embarking on an entirely improper course. The question which has now been put is in quite acceptable form. If the minister is prepared to answer it in the same manner I think we can hear his answer.

Mr. Hees: Mr. Speaker, I make a point of not commenting on observations made by provincial ministers, but I am always interested to hear any observations of Mr. Macaulay, because in representing his government he is doing the same kind of job for the producers of Ontario as this government is doing for the producers of Canada.

Inquiries of the Ministry

OIL—OTTAWA MEETINGS CONCERNING CANADIAN EXPORTS TO U.S.

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): I wish to address a question to the Minister of Trade and Commerce. Are meetings being held this week in Ottawa to set a ceiling on the amount of crude oil to be exported to the United States in the next 12 months?

Hon. George H. Hees (Minister of Trade and Commerce): If the hon. member had been in the house he would have heard me make a fairly full statement on the subject a few days ago.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I think the correctness of the first part of the minister's reply is open to serious doubt. It may be that the hon. member was not here, but I do not think it was proper to comment.

LUMBER—REPRESENTATIONS RESPECTING IMPORTS INTO U.S.

On the orders of the day:

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I should like to ask the Minister of Trade and Commerce a question. What representations are being made to the secretary of commerce of the United States in respect of the new restrictions imposed on the use of Canadian lumber, presumably under presidential direction?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, the hearings by the United States tariff commission on the complaint lodged by the United States lumber industry have been completed, but so far no decision has been handed down and one is not expected until after the end of the year. At the hearings the Canadian point of view, namely that Canadian lumber should continue to be allowed to enter the United States market free of quota, was ably presented to the tariff commission and was well accepted.

BUSINESS OF THE HOUSE

REQUEST FOR REFERENCE OF PUBLIC ACCOUNTS TO COMMITTEE

On the orders of the day:

Mr. Alan Macnaughton (Mount Royal): Mr. Speaker, I have a question I should like to direct to the Minister of Finance. I have not been able to give him notice, but I am sure he does not need it. In order to enable the committee on public accounts to proceed on Thursday next, will the Minister of Finance arrange for the motion referring the public accounts to the committee to be made tomorrow, Wednesday?

Hon. George C. Nowlan (Minister of Finance): Yes, subject to the approval of the house leader, Mr. Speaker.

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR STATEMENT ON SECURITY INVESTIGATIONS IN UNIVERSITIES

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Justice. In view of conflicting reports by students, professors at Canadian universities and the R.C.M.P. regarding security investigations carried on by the R.C.M.P., could the Minister of Justice make a statement either today or tomorrow regarding the policy followed by the R.C.M.P. in connection with such security investigations?

Mr. Speaker: Order. I find some difficulty in accepting a question asking for a policy statement. However, if it is deemed to be business of the house perhaps the minister could reply in that regard, if he is prepared to do so.

[*Later:*]

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to address a question to the Minister of Justice in the same field as the question asked by the hon. member for Winnipeg North. In view of the fact that many universities are now electing representatives to model parliaments, would he indicate whether participation in such electoral activities leaves students open to R.C.M.P. investigation?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I would think that activities with respect to some political parties might leave students open to question as to their wisdom.

[*Later:*]

Mr. Thomas R. Berger (Vancouver-Burrard): I wish to direct a question to the Minister of Justice. Will the minister tell the house whether the R.C.M.P. are interviewing university students and faculty members in Quebec to inform the R.C.M.P. regarding the political activities of other students and faculty members?

Mr. Speaker: Order. The minister answered a previous question in similar vein, and I am just wondering whether these matters are such that they should be asked on orders of the day. Is the information so urgently

required? I am not indicating that the subject matter may not be important, but I would like to have hon. members recognize the fact that questions on orders of the day should be on important matters and that the information concerned is such that it should be sought immediately. I am just wondering whether this is one of those questions that would so qualify.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on a point of order may I suggest that these questions relate to a matter concerning which there are reports current at the present time, and surely if there is any point to asking questions on orders of the day it is to get statements regarding matters concerning which there is urgency before a situation develops. I submit that these questions in the light of news reports, conflicting as they are, call for a statement from the Minister of Justice.

Mr. Fleming (Eglinton): Mr. Speaker, if you wish to weigh these observations on the question of urgency all I can say to you is that I have had no such complaint whatsoever. Apparently these questions stem from an editorial which appeared in a student publication.

Mr. Berger: Would the minister inform the house whether in fact the R.C.M.P. are interviewing students with a view to ascertaining information about the political activities of other students? I was not asking the minister whether he had received complaints.

Mr. Orlikow: Does the minister not remember that several days ago I took up a particular complaint with him personally?

Mr. Speaker: Order. That is not a supplementary; that is an assertion.

(Translation):

CANADIAN NATIONAL RAILWAYS

ALLEGED PRESSURE TO WITHHOLD INFORMATION FROM MEMBERS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I want to ask the Minister of Transport a question. Can the minister tell us whether undue pressure has been brought to bear upon him to prevent him from giving us information about the C.N.R.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, on a question of privilege—

Mr. Speaker: Order. There is no question of privilege here.

I would again suggest to the hon. member that he look up the citation concerning the nature of questions allowed in the house, and I might tell him that his inquiry was not at all in keeping with standing orders, apart from being contrary to the spirit which ought to prevail in the house.

Mr. Gregoire: In any case, it was in keeping with the facts.

Mr. Speaker: I want to point out to the hon. member that he is not entitled to rise and comment upon answers.

Mr. Balcer: On a question of privilege, Mr. Speaker. The hon. member for Lapointe asked several questions with regard to a crown corporation, and since I have been Minister of Transport, I have always followed the principle of dealing in one and the same way with all crown corporations for which I am the spokesman in the house. And the answers given to the hon. member were entirely in keeping with the tradition of the house, which is that report be made with regard to crown corporations according to certain rules and standards, which is what I have always done.

Mr. Gregoire: Mr. Speaker, as far as the question of privilege is concerned—

Mr. Speaker: Order. I heard the question and the minister could not rise on a question of privilege. All he did was answer a question which was not acceptable, and I hope that this will put a stop to gratuitous comments.

(Text):

CIVIL DEFENCE

REPORTED CONVERSION OF PUBLIC BUILDINGS INTO FALL-OUT SHELTERS

On the orders of the day:

Mr. Speaker: The hon. member for York East—

Some hon. Members: York Centre.

Mr. Speaker: The Chair will excuse itself. It has lost itself in a fog in Toronto on occasion.

Mr. James E. Walker (York Centre): Mr. Speaker was not the only one who had that happen to him.

I have a question for the Minister of National Defence. In his absence perhaps the Prime Minister might answer it. Is the government pushing ahead with an estimated one billion dollar program of converting over 4,000 public buildings into community fall-out shelters, as has been reported by the minister of defence to the press?

Right Hon. J. G. Diefenbaker (Prime Minister): I would have to see the report of what was said before I would comment on it.

Inquiries of the Ministry

Mr. Walker: Would it be information that the Prime Minister is seeking? If I might—

Mr. Speaker: Order. I think we shall adopt the conventional methods of getting it across.

TELEVISION

HOCKEY—REQUEST FOR COMPLETE BROADCAST OF MAPLE LEAF GAMES

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): I should like to direct a question to the Secretary of State, and I apologize for not having given him notice of it. Will the minister use his good offices to have all periods of the Maple Leaf home hockey games televised on Wednesday and Saturday nights?

Hon. G. E. Halpenny (Secretary of State): I will take that question as notice.

(Translation):

EXTERNAL AFFAIRS

MEETING OF PRIME MINISTERS OF UNITED KINGDOM AND CANADA

On the orders of the day:

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

The Prime Minister informed the house recently, to the great pleasure of all, that he had been invited to the Bahamas by the Prime Minister of Great Britain, Mr. Macmillan. A London newspaper, *The People,* stated yesterday that the English prime minister was displeased because our Prime Minister had invited himself.

Could the Prime Minister tell us if he invited himself or if he was invited by the Prime Minister of Great Britain, Mr. Macmillan?

Mr. Speaker: Order. The hon. member should know—and I think he does now—that it is not in order to ask the Prime Minister to comment on a news report, whatever it may be. That leads to controversy and, furthermore, by asking such a question it could be assumed that the hon. member endorses the principles or the remarks contained in that article.

(Text):

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, on a question of privilege affecting all hon. members, I submit to Your Honour that there is no other way of finding out what this government is doing than reading the papers and then asking questions.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I do not think I need comment in extenso on the nature of the question of privilege which has been raised.

(Translation):

[*Later:*]

Mr. Chapdelaine: Mr. Speaker, I should like to redraft my question.

(Text):

I should like to ask the Prime Minister whether he has invited himself, or has he been invited, to the Bahamas.

(Translation):

[*Later:*]

Mr. Chapdelaine: Mr. Speaker, I wish to ask the Prime Minister a question.

(Text):

Does his refusal to answer my last question mean that he invited himself to the Bahamas?

(Translation):

Mr. Speaker: Order. Those were the hon. member's words.

(Text):

ADMINISTRATION OF JUSTICE

SONS OF FREEDOM, B.C.—VISIT OF DELEGATION TO OTTAWA

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Justice which is of urgent and national importance. Has the Minister of Justice received any information from the attorney general of British Columbia with respect to the visit to Ottawa of a delegation from the Sons of Freedom?

PUBLIC SERVICE

INQUIRY AS TO SALARY INCREASES FOR CLERKS AND TYPISTS

On the orders of the day:

Mr. Alexis Caron (Hull): Mr. Speaker, I should like to direct a question to the Minister of Finance. Could the minister explain why the clerks and typists grades 1 and 2 do not benefit under the salary increase announced yesterday by the minister?

Mr. Speaker: Order. I realize what the hon. member is getting at, but suggest to him that he is asking for an argumentative answer. When he asks whether the minister will explain why something is done, he is inviting an argumentative answer. Subject to that, the minister can reply to the question on an information basis, but not on an argumentative basis.

Mr. Caron: The only thing I want to get is information as to why they are not included. The minister can certainly say why they were not.

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, because the pay research bureau reported in that way.

EXTENSION OF CHECK-OFF TO GOVERNMENT EMPLOYEE ORGANIZATIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Is the government giving consideration to the extension of the check-off to all government employee organizations, as requested once again this morning by the Canadian Labour Congress?

Hon. George C. Nowlan (Minister of Finance): The government is giving no consideration to that at the moment, Mr. Speaker.

BREAD

INQUIRY AS TO ACTION RESPECTING PRICE INCREASE

On the orders of the day:

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, I should like to ask the Prime Minister whether the government has taken any action to prevent the present rise in the price of bread.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. member knows, of course, that under the British North America Act the federal government has no power in that regard.

Mr. Pickersgill: What about Magog?

Mr. Diefenbaker: To the hon. gentleman who makes these observations from a sitting position I would say that his observation is as intelligent as those he usually makes.

Mr. Speaker: Order.

Mr. Pickersgill: Mr. Speaker, I rise on a question of privilege.

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Mr. Pickersgill: Mr. Speaker, the right hon. gentleman has chosen to say that my question was as intelligent as usual. He did not hear my question. My question was this. What did his Magog speech mean?

Mr. Speaker: I recognize the hon. member for York South.

UNITED NATIONS

SOUTH AFRICA—IMPLEMENTATION OF SANCTIONS IN RESPECT OF APARTHEID

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I do not know whether to intrude on the levity; however, I have a question for the Prime Minister. I may say that I gave him notice of it. It arises out of a question I asked him yesterday. You will forgive me if I take a moment in which to draw attention to it. I had asked the Prime Minister whether the government contemplated any action in accordance with the United Nations resolution with respect to South Africa. The right hon. gentleman replied—and I am not quoting the exact words—that it was necessary to take that resolution first to the security council before consideration could be given to it.

I can well appreciate the fact that the Prime Minister cannot carry every detail in his mind. However, in view of the fact that the statement made by the Prime Minister was in error, would he now inform the house whether the government is considering implementing paragraph 4 of the resolution passed by the general assembly of the United Nations on November 6 last requesting the member states of the United Nations, without reference to the security council, to undertake certain measures against South Africa, particularly to boycott South African goods and to refrain from exporting goods to South Africa?

Mr. Speaker: Order. There are one or two things I should like to say. First of all I think the hon. member is commenting on the nature of a reply given, and that his statement that the answer was in error is not in accordance with the practice of this house. Subject to the consideration that this procedure was not proper, if the Prime Minister wishes to reply he may do so.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in so far as the first part of the question is concerned, namely that my statement was in error, may I say this. What I stated represented the views of the Secretary of State for External Affairs (Mr. Green) who is fully cognizant of these matters. It was following discussion with him that I made the statement in question.

As to the latter or effective part of the question may I say this. This government has taken the stand that sanctions have not been effective at any time. It is all very well to argue that we should indulge in sanctions against South Africa. This is one of the countries with which we have dealt on the friendliest terms throughout the years. Sanctions would have the effect of denying to Canadians business to the extent of perhaps $40 million or $50 million a year. As sanctions have been proven to be ineffective in the past, such action will not be taken by this government.

Inquiries of the Ministry

COMBINES

SUGGESTED TRANSFER OF LEGISLATION FROM CRIMINAL TO CIVIL FIELD

On the orders of the day:

Mr. John R. Matheson (Leeds): Mr. Speaker, may I direct a question to the Minister of Justice. Is the government now studying means of transferring anti-combine legislation from the criminal field to the civil field?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, the answer to as broad a question as that must be no, but I have indicated on several occasions that any suggestions anyone wishes to put forward for improvement of our combines legislation or administration will be very carefully studied. The hon. member must know that the basis of federal jurisdiction in this field has been construed by the courts to be the authority of parliament in relation to criminal law.

[*Later:*]

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I should like to ask the Minister of Justice a supplementary or related question to the one just addressed by the hon. member for Leeds. Has the government had any communications with the provincial governments with respect to sharing jurisdiction over combines legislation for the purpose of broadening the base?

Mr. Fleming (Eglinton): No, Mr. Speaker.

FINANCE

INQUIRY AS TO CHANGE IN PLANS FOR SURCHARGE REMOVAL

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to ask the Minister of Finance a question. In view of the Minister of Labour's comment before the Canadian Labour Congress delegation today that the C.L.C. criticism of the government's emergency surcharges is a reflection of the views of large United States industries, would the minister tell us if there has been any change in the government's announced plans to abolish these surcharges at the earliest possible moment?

Hon. George C. Nowlan (Minister of Finance): No, Mr. Speaker.

Mr. Martin (Essex East): The Minister of Labour has been proved wrong again.

[Mr. Diefenbaker.]

INQUIRY AS TO REVISION OF BANKRUPTCY ACT

On the orders of the day:

Mr. Leon Crestohl (Cartier): Mr. Speaker, I should like to address a question to the Minister of Justice. Can the minister inform the house whether his department or his officials are studying a revision of the Bankruptcy Act of Canada, or whether submissions have been sent to them requesting either amendments to or a revision of the Bankruptcy Act?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, there is before the Senate a short bill to amend the Bankruptcy Act. It may come forward to this house soon. Apart from that, a more general revision of the act has been under study for some time but it will not be ready to be introduced at the present session. However, it has been indicated to those who may be interested that the government will be pleased to receive any suggestions with respect to amendments to the act at any time, and these will be carefully studied.

CROWN CORPORATIONS

INQUIRY AS TO EXTENSION OF PAY INCREASES TO EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Defence Production. Will employees of crown corporations that come under the jurisdiction of the minister receive pay increases comparable to those announced for classified civil servants, and will they be retroactive to the same dates?

Hon. Raymond O'Hurley (Minister of Defence Production): This depends on the arrangements of the crown corporations, and as far as I know the answer is no.

TRANSPORTATION

RAILWAY BRANCH LINES—REQUEST FOR POLICY STATEMENT RESPECTING ABANDONMENT

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Transport. I wonder whether the minister intends to report to the house following his conversation with the presidents of the two railway companies with regard to the vexatious matter of railway branch line abandonment.

Hon. Leon Balcer (Minister of Transport): No, Mr. Speaker.

Mr. Argue: Can the minister say whether he has received requests from the provincial

governments on the prairies to delay proceedings until after the Regina conference on December 20?

Mr. Balcer: Yes, Mr. Speaker, we have received some representations. We have answered those representations in writing, and we have emphasized the fact that these matters are being handled by the board of transport commissioners and that while it might appear that there were quite a number of them, the board of transport commissioners could not process more than a rather small number of those requests up to the time the legislation on the MacPherson commission report could be implemented by the House of Commons.

(Translation):

UNEMPLOYMENT INSURANCE

BENEFITS TO CANADIANS WORKING IN THE UNITED STATES

On the orders of the day:

Mr. Pierre-Andre Boutin (Dorchester): I have a question for the Minister of Labour.

A month ago I asked him a question about unemployment insurance coverage for Canadian loggers working in the state of Maine. In his reply he stated that Canada and the state of Maine were continually negotiating toward an agreement which would be forthcoming in a matter of a few months.

Could he tell us now whether any real progress has been made in the last month toward reaching such an agreement?

Mr. Speaker: If the hon. member reads *Hansard* for yesterday or the day before, I believe he will find his answer.

(Text):

PRINTING AND BINDING OF GILL COMMITTEE REPORT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I just want to ask my daily question of the Secretary of State to find out whether he has yet discovered whether the Gill report has been completed by the printing bureau and is ready for distribution.

Hon. G. E. Halpenny (Secretary of State): Yes, Mr. Speaker. This morning I was advised that the Gill report will be available to hon. members in both French and English sometime before the end of this year.

Mr. Pickersgill: What a farce.

Mr. Halpenny: This will allow hon. members to consider fully the contents before they return on January 21.

POWER

KOOTENAY RIVER—APPLICATION FOR LICENCE TO CONSTRUCT DAM

On the orders of the day:

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, on Friday last the hon. member for Kootenay East asked if an application had been received from the province of British Columbia for a licence under the International River Improvements Act to construct a dam or a weir in a tributary of the Kootenay river. I am now in a position to advise the house that no such application has been received in my department.

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Monday, December 10, consideration in committee of Bill No. C-94, to provide for the establishment of an Atlantic development board—Mr. Flemming (Victoria-Carleton)—Mr. Chown in the chair.

On clause 5—*Travelling and living expenses.*

The Chairman: When the committee rose last evening an amendment to clause 5 was under consideration, and I want to address myself to that amendment before we proceed this afternoon. Last evening, when this bill was before the committee, the Minister of Fisheries moved the following amendment:

That Bill C-94, an act to provide for the establishment of an Atlantic development board, be amended by striking out subclause (2) of clause 5 thereof and substituting therefor the following:

(2) Notwithstanding subsection (1), the chairman of the board may be paid such amount per annum as an honorarium as may be approved by the governor in council.

Whereupon the hon. member for Bonavista-Twillingate raised a point of order on the ground that the effect of the amendment would be to raise a charge against the exchequer and that no such charge may be imposed without a message from the crown.

It would appear that the amendment does not in itself provide for an increased charge. It merely inserts a general provision for one of a specific nature. At any rate, authority for the acceptance of such amendments is to be found in section 3 of citation 246, Beauchesne's fourth edition, which in part reads as follows:

The guiding principle in determining the effect of an amendment upon the financial initiative of the crown is that the communication, to which the royal demand of recommendation is attached,

must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

In this case, the communication to which the royal demand or recommendation was attached is the resolution presented to the house on Monday, November 19 last. That resolution reads as follows:

That it is expedient to introduce a measure to establish an Atlantic development board and to define the duties thereof, to provide for the appointment of the chairman and other members of the board and for the payment of certain expenses of the members thereof, to provide for the appointment of an executive director of the board and for the payment of his remuneration, to provide further that the board may engage the services of such advisers and staff as may be necessary to enable it to carry out its duties and to provide further for other related and incidental matters.

As the recommendation of the crown did not specify or place a limitation on the amount of the charge to be imposed by provisions of this bill, it is suggested that the amendment is in order.

I might point out at this stage that this ruling is consistent with the decision I made earlier last evening with respect to the amendment presented by the New Democratic party to increase the membership of the board from five to 15.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, last evening when the committee rose we had just listened to a dissertation from the hon. member for Essex East in connection with certain aspects of the Atlantic development bill. I wonder how it is that the hon. member for Essex East is delegated as the spokesman for the official opposition in connection with this matter.

Mr. Martin (Essex East): If my hon. friend will permit me—

Mr. Flemming (Victoria-Carleton): I wonder who has the floor, Mr. Chairman.

Mr. Martin (Essex East): I am sure the minister would not deny me the opportunity to explain that I am not the official spokesman. I am just following the leadership of the Liberal maritime members, and as a Canadian I am showing interest in the Atlantic provinces, as we all should.

Mr. Fleming (Eglinton): A very belated interest—about 30 years late.

Mr. Flemming (Victoria-Carleton): I quite agree with the observation that it is somewhat late. Anyway the hon. member had been expressing an opinion that this bill in its present form was a useless one so far as the Atlantic provinces were concerned, and was good for nothing. That is my understanding of what he said, and in the absence of any contradiction I shall assume that is what he said.

[The Chairman.]

Mr. Martin (Essex East): Of course I never said that at all.

Mr. Flemming (Victoria-Carleton): All right, Mr. Chairman. I have his words before me, so let us examine the record. He said, as reported in *Hansard* of yesterday's date at page 2524:

Then let him come back and tell us that he has in mind somebody who will spend his full time on the job, who will be paid a salary adequate to the demands which will be made upon him. No explanation less than this will satisfy this house. No explanation less than this will satisfy the Atlantic provinces. Anything less than this will be evidence of an intention on the part of the government to introduce in this bill something that looks good in form but which is not capable, in its very wording and provisions, or doing anything substantial to help the Atlantic area.

That is the basis upon which I say he says the bill is useless.

An hon. Member: No, he didn't.

Mr. Flemming (Victoria-Carleton): I submit, Mr. Chairman, that this is a proper interpretation of his remarks. It does not bother me at all to have these interruptions by maritime members who express lip service to this bill, but actually in practice, I am afraid, their actions in this house are capable of a very different interpretation.

The hon. member professed to speak for the Atlantic provinces last evening. He professed to see in this bill something which they would not appreciate, something which did not go as far as it should in providing a vehicle by which the various submissions that have been made over a long period of time to various governments might receive attention and subsequent action. He expressed, I am sure he would be the first to admit, a tremendous amount of doubt as to whether it was any good.

Well, Mr. Chairman, with respect to his speaking for the Atlantic provinces I would say this. I might also just mention at this time words that have been uttered in this house by the hon. member for Bonavista-Twillingate in connection particularly with Prince Edward Island. I think if he listened to the results of the election in Prince Edward Island yesterday they were quite capable of giving the answer, and they gave it. I do not think the results gave a great deal of satisfaction to the hon. member for Bonavista-Twillingate or the hon. member for Essex East, or perhaps any of our hon. friends sitting within my particular range of vision at the moment. Now, coming back—

Mr. Robichaud: What clause of the bill is this?

Mr. Flemming (Victoria-Carleton): We quite understand the hon. member for Gloucester's ignorance of it because he has paid no attention to it since he has been here, so why would he know anything about it now?

Some hon. Members: Hear, hear.

The Chairman: Order.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I would like to bring to the attention of the committee simply this. I will leave politics aside for the moment.

Some hon. Members: Oh, oh.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, they chose to introduce the subject and they required an answer. I am sure the hon. member for Essex East received his answer and I hope he is satisfied. But I would like to refer hon. members to the editorials which appeared in the St. John *Telegraph-Journal* and the Fredericton daily *Gleaner* after this bill was introduced.

Mr. Pickersgill: Mr. Chairman, on a point of order—

Some hon. Members: Sit down.

Mr. Pickersgill: —perhaps hon. gentlemen would allow me to make my point of order and then they can speak to it. My point of order is that we are supposed to debate measures in this house and not to import into such debate comments from editorials—this was raised the other day when I quoted one —that appear before or after a measure has been dealt with. We are not supposed to import them into our discussions. There are several I would like to read. I do not want to restrict the minister, but I hope the same liberty will be accorded to both sides of the house.

The Chairman: Could the minister advise the committee whether he was reading from an editorial?

Mr. Flemming (Victoria-Carleton): No, Mr. Chairman, I was not reading.

Mr. Pickersgill: He was discussing it. I did not suggest that he was reading.

Mr. Flemming (Victoria-Carleton): I was simply quoting.

Some hon. Members: Oh, oh.

Mr. Pickersgill: From memory.

Mr. Flemming (Victoria-Carleton): From memory, that is right. I wonder whether the hon. gentleman from Bonavista-Twillingate has ever quoted from memory. I think he has, but very seldom accurately. Here is my point, Mr. Chairman, and it is a relatively important one. Who are we going to accept as the authority on the maritime provinces and on their problems? Are we going to accept the hon. member for Essex East, or are we going to accept even the hon. member, the transplanted member, from Bonavista-Twillingate, who I welcome as a fellow Atlantic province citizen?

Mr. Robichaud: Or do we accept the *Gleaner*?

Mr. Flemming (Victoria-Carleton): Let us not get into that.

Mr. Robichaud: You started it.

Mr. Pickersgill: Let us come back to the bill.

Mr. Flemming (Victoria-Carleton): This is the point I am making, Mr. Chairman. Whom do we take our authority from? Whom do we take for guidance?

An hon. Member: We take the voters.

Mr. Flemming (Victoria-Carleton): You can take the voters of Prince Edward Island yesterday, if you like. They expressed their approval yesterday of the actions of this government and of this measure. There is no doubt about that. Undoubtedly it was mentioned. This is what I am trying to get up to if I can get a little bit of attention, Mr. Chairman. The editorial comment in those two newspapers indicated that the bill before the committee which we are considering at the moment clause by clause has tremendous possibility for the Atlantic provinces.

I do not think any hon. member opposite would say that one of those newspapers is particularly friendly to the administration. The other newspaper supports the administration because the administration have a definite policy with respect to the Atlantic provinces for the first time in about 50 years. We have paid special attention to the Atlantic provinces. It was requested from the government of which the hon. member for Essex East was a member, of which the Leader of the Opposition was a member, of which the hon. member for Bonavista-Twillingate was a member, but the words fell on deaf ears and no result was seen until this government came into office.

The Chairman: Order. I am sorry. I am sorry to interrupt the minister but I thought the general debate was over and that we were specifically addressing ourselves to a very much narrower amendment. I would ask the co-operation of the minister in this connection.

Mr. Bell (Saint John-Albert): On a point of order, Mr. Chairman, I would like to recall, very respectfully, that last night when the hon. member for Essex East jumped into the debate it is impossible that he could have been discussing anything in this bill because he has not read it. It is impossible that he could have been discussing anything about the maritimes because he does not even know where the maritimes are. Therefore I suggest, Mr. Chairman, that we have been allowed to stray a little from the clauses of this bill; and to call the minister to order now when he is replying to some of the charges that were made last evening is pushing the rules of this house too far.

May I also mention, on a point of order, this matter to which the hon. member from Bonavista-Twillingate keeps referring; that is, the quoting of newspapers with respect to debate taking place in the house. This is the third time he has invoked this citation without referring to it and I think if he keeps it up he may be giving us a bad precedent. The citation in this connection is No. 157 of Beauchesne, and I quote from page 133:

> The rule is quite clear, that the quoting of a newspaper, an author or a book which reflects upon debate before the house, either directly or indirectly is entirely out of order, because members are here to give their own opinion and not to quote the opinion of others . . .

I submit, Mr. Chairman, that when the minister wants to quote from a newspaper editorial that compliments, as most of them do, this particular bill establishing an Atlantic development board, it is quite in order provided it does not reflect upon any of the remarks that hon. members themselves may have made about the bill in the debate.

The Chairman: I did not hear the hon. member for Essex East—

An hon. Member: You will.

The Chairman: —nor can I judge whether I was lucky or otherwise in not having done so. But this is an amendment narrow in its scope and, as the minister realizes, there will be other opportunities to debate the bill more generally, perhaps on third reading. At the moment we should try to address ourselves to the amendment which is before the committee.

Mr. Flemming (Victoria-Carleton): Thank you, Mr. Chairman. I think I have mentioned that I felt, gathering from his remarks that the hon. member for Essex East had not read the bill. I repeat that. I do not think he has read the bill. He may have read it by now, of course; he has had overnight in which to do it. If he has done so he will have found that this measure provides for the very thing the absence of which he complained about last night. It provides for a full time executive director. If we could persuade the official opposition to go through this bill I am confident that when they got to the last clause they would feel satisfied that the various points they have raised have been well covered. That is my opinion.

Since we are talking on the question of salary, let me say, as I have said in this house on two or three occasions, that I think it is in the interests of the bill, in the interests of the progress which I hope will be made under the bill, and in the interests of the laudable results which we believe will be achieved by it, that we should go ahead and delete this provision for a $3,000 salary which is laid down in the bill as originally written. I think that to do so will strengthen this measure. I am sure all hon. members, many of whom have had more experience than I in administration and in the work of this house, will admit that there are many boards where remuneration to members is fixed by order in council. I am satisfied that if hon. gentlemen opposite would allow themselves the luxury of a fair and dispassionate approach to this question they would be the first to admit it.

While I am on my feet I should like to make one last appeal in connection with this bill. As everyone knows, I am anxious to see the bill pass through this house and go to the other place. I believe hon. members on all sides share this desire. I am going to ask hon. members in the other parties for their co-operation to this end, without wanting to restrict any general observations which they feel may result in improvement as far as the operation of the legislation is concerned. Undoubtedly the people who will be chosen to compose this board will read carefully the observations which are made in this chamber. Undoubtedly an effort will be made to meet the various views which are expressed here. With that qualification, I want to see us make some progress; I should like to have unanimous consent for third reading here this afternoon.

That is all I have to say at the moment. I believe I have covered the points raised by the hon. member for Essex East, though perhaps not to his satisfaction and only partially to my own. But I have said enough about this matter, and I have stated once again my view that the salary to be paid should be left flexible so that it may be dealt with by order in council. I believe that represents an improvement over the provision which was originally written.

Mr. Pearson: The minister has made an appeal for co-operation in expediting the

progress of this bill, an appeal which probably would have aroused a little more sympathy on this side if he had not made his earlier remarks, which were certainly designed to provoke some counter comments from the opposition, and especially if the hon. member for Saint John-Albert had not seen fit to make reflections on some of my hon. friends.

If I do raise a small point I hope the minister will not accuse me of not having read the bill. He has been dealing with a matter of some importance, one in regard to which we thought we could improve this bill. It is, of course, our duty as the opposition to draw attention to improvements which we think could be made in a measure even where we have approved it in principle.

The hon. gentleman has said it was not reasonable that the chairman should be a full time member of this board. He said it was not reasonable to put into the bill the salary to be paid to him, and had we read the bill, we would have seen that there is to be an executive director appointed under clause 11, an executive director who of course would be subordinate to the chairman of the board. But though the minister may think this is the best way to proceed in regard to this board, I must call his attention, even at the risk of being out of order, to the provisions which are to govern another board which we shall be considering under which the chairman himself is to be the executive director. The government decided, in the case of that board, that this was the right way to proceed. He, the chairman, is a full time official of the board. We thought that was the best way to proceed in connection with the board we are now discussing, and that was the point of our remarks.

However, I can understand the minister's desire to get this bill through as quickly as possible, and we on this side have no wish to delay its passage subject to the proper discharge of our duty. Since we have had a good discussion on this matter we on this side, as far as we are concerned, are prepared to withdraw our opposition to the amendment the hon. gentleman has suggested.

Mr. MacInnis: Speaking on the amendment, Mr. Chairman, I should like to say to the minister that this is not the first time he has appealed for co-operation. He can appeal until he is blue in the face but the bill will not go through until we have made our remarks on it. He has already asked for co-operation and received it; whereupon he proceeded, along with his supporters, to take up more time than anyone else on this measure. The minister suggested on second reading that he would welcome objective, non-partisan proposals by hon. members for the improvement of this bill.

The Chairman: Order. The hon. member for Cape Breton South has not been relevant to the amendment in his remarks up to the moment, and I would ask him to come back to it.

Mr. MacInnis: I was just leading up to an amendment I was about to propose to the amendment which is before us. If the minister really meant what he said the other night when he told this house he would welcome proposals from members of the opposition, I ask him to consider this amendment. I move:

That the amendment to subclause (2) of clause 5 be amended by inserting after the word "chairman" in the second line thereof the words "who shall be a full time officer", and by deleting the words "amount per annum as an honorarium" and substituting therefor the words "salary and expenses", so that the amended subclause shall read as follows:

(2) Notwithstanding subsection (1), the chairman, who shall be a full time officer of the board, may be paid such salary and expenses as may be approved by the governor in council.

Mr. Baldwin: Mr. Chairman, on a point of order, I would deal with this in the light of what you said on the point raised by the hon. member for Winnipeg North Centre. I refer at once to the resolution on which this bill is founded. The resolution provides for the appointment of a chairman and other members of the board and for the payment of certain expenses of the members thereof. The resolution limits what can be paid to the members of the board in the nature of expenses. This amendment which has just been offered by the hon. member refers to the payment of a salary, which is quite outside the ambit of the resolution and is, I submit, definitely out of order.

The Chairman: Is there any other argument on this amendment?

Mr. Knowles: Mr. Chairman, on the point of order, all you need look at is the ruling which you gave at the commencement of the committee sitting this afternoon. If the point now made by the hon. member for Peace River were to be maintained it would not be possible under the terms of the resolution to accept the amendment moved by the Minister of Fisheries. It seems to me that the breadth of the resolution introduced on November 19 does permit not only the sort of amendment which was moved by the Minister of Fisheries, but also the sort of amendment which is now proposed to the Chair.

Mr. Bell (Saint John-Albert): Mr. Chairman, it comes to my mind that the difference between the example that the hon. member for Winnipeg North Centre has given and the point made by the parliamentary secretary to the Prime Minister is that the Minister of Fisheries is a minister of the crown and can move these money amendments, whereas the hon. member for Cape Breton South is an ordinary private member and cannot do so.

Mr. Knowles: On that point, Mr. Chairman, the question raised last night by the hon. member for Bonavista-Twillingate was that the motion proposed by the Minister of Fisheries concerned a charge on the crown beyond what was approved, and therefore that the recommendation of the crown was called for. You, sir, from the chair today ruled that no further recommendation from the crown was called for because the recommendation of the crown with regard to the original resolution was broad enough.

Mr. Baldwin: In reply to the hon. member for Winnipeg North Centre, this debate has proceeded all along on the basis that the word "honorarium" can be included within the word "expenses" in the resolution. I think it has been accepted by all members on both sides of the house that there is no exception to that. But there is a vast distinction between an honorarium as being attached as an expense, and a salary, which is of course a definite remuneration not in any sense of the word contemplated to be within the term "expense".

Mr. MacInnis: Mr. Chairman. if that is the only problem that the parliamentary secretary has with this amendment, we would be glad to leave "salary" out of the wording and pay the chairman nothing but expenses. We do not care how he is paid or what wording is used, or whether he should be paid $10 an hour expenses. The main plank of the amendment is that there be a full time officer who can direct the activities of the board and see that something gets done. I would ask the minister who is introducing this bill what he has against having a full time chairman of the board.

The Chairman: The problem is the one already brought up. I was having difficulty in distinguishing between honorarium and salary. If the hon. member for Cape Breton South would remove the word "salary" from the proposed amendment I would be prepared to have another look at it.

Mr. MacInnis: Yes, Mr. Chairman, that will be fine. I will substitute the words "honorarium and expenses" for "salary and expenses".

[Mr. Knowles.]

The Chairman: The hon. member for Cape Breton South will have to withdraw his original amendment and reword it. Then he can present another one with the unanimous consent of the committee. Does the committee give unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Pickersgill: Mr. Chairman, while some colleague of the hon. member, who would have a perfect right to move an amendment anyway, is drafting another amendment which could be moved, I am going to make an appeal to the minister, as I did on second reading. My appeal to the minister is that we solve this problem in another way entirely, in the way suggested at the time of second reading of the bill; that is, by having a minister as the chairman, and then there would not be any need for an honorarium, expenses or anything else. If that were the case we would have someone who was actually in the cabinet and who could see that the impact of this board was made directly upon the government. I think that would give this bill, even without a capital fund, a lot of value which it has not got now, because the chairman of the board would then be a member of this house who could be questioned by other hon. members as to how the board was progressing, what it was doing, what it was accomplishing. In that way we would not be insulated from it, as we will be with a part time chairman and a director, who has to go through the chairman to the minister and the minister then has to go to his colleagues.

I would ask the minister to take that matter up with his colleagues and to give consideration to it. I suggest that instead of proceeding with the amendment which the Minister of Fisheries has placed before us, the government ask the Minister of Fisheries to withdraw it and put forward another amendment which would make the chairman of the board a member of the government. I would certainly hold up both hands for that, and I would have a lot more complimentary things to say about the bill than I would with the bill in its present form. I ask the minister whether he will say something about that suggestion.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I do not mind saying something about it. I believe it would not only not help or improve the bill, but in my opinion it would be detrimental to the activities of the board, because there would be so many times when that minister would not be available for that duty. There are members opposite, of

whom the hon. member for Bonavista-Twillingate is one, who have some idea, I think, of the many demands made on ministers. It is on that basis that on balance I think our original idea of having a chairman who would devote part of his time, and having a full time executive director, should stand.

While I am on my feet I should like to make an observation about the remarks of the Leader of the Opposition, because in my opinion there is no particular connection between the framework under which the Atlantic development board will operate and the framework within which the national economic board might operate. Conditions might be altogether different; I think every hon. member would acknowledge that. It just so happens that the government suggests—and it is quite prepared to take full responsibility for this—that the chairman shall be part time and that the board shall be a part time board. But they will have as an executive director a most competent individual, the best man they can possibly get, with knowledge, with dedication, and with the various attributes which will lend itself to a fair prospect of progress and success.

Mr. Martin (Essex East): Is my hon. friend not aware of the fact that in the United Kingdom, where ministers of the crown likewise have great preoccupations, the chancellor of the exchequer has taken on the chairmanship of a national body whose functions in principle are not dissimilar to those under the proposal now before the committee but whose actual accomplishments, I think, are greater than those presently indicated under this measure will be as far as the Atlantic provinces are concerned. Hence merely because the minister is busy, should not preclude the acceptance of a proposition put forward. To do so would be to ignore completely what is done in other countries such as the United Kingdom, France, Belgium and West Germany.

Mr. Flemming (Victoria-Carleton): Perhaps the hon. member for Bonavista-Twillingate has a point there. However, the Minister of Justice has brought this fact to my attention, and I am sure hon. members opposite would consider this point most desirable. It is considered desirable that this board be entirely divorced from governmental direction so far as examination of various situations presented to them is concerned. I think that is also a tremendously important point.

Mr. Martin (Essex East): With great respect, Mr. Chairman, may I say this bill does not provide for that. As clause 9 clearly provides, the objects which the board will inquire into must be dealt with by way of a report to the minister. This is not an independent body that is being set up. This is a body which is no different in character from a government department, and that is what we are complaining about.

Mr. Flemming (Victoria-Carleton): I suggest to the hon. gentleman that he read at paragraph (d).

Mr. Martin (Essex East): I have done so.

Mr. Flemming (Victoria-Carleton): The hon. gentleman will find that under paragraph (d) they may have projects or situations brought to their attention, anything that they may consider usefully. I believe that is the phraseology used. I submit that is a fairly broad word.

Mr. Martin (Essex East): And report to the minister.

Mr. MacInnis: The minister has proceeded to investigate other clauses of the act about which we shall have something to say as well a little later on, but to come back to the specific item before us at the moment, if it is in order to do so I should like to rephrase the amendment and move as follows:

That the amendment to subclause 2 of clause 5 be amended by inserting after the word "chairman" in the second line thereof the words "who shall be a full time officer", and by deleting the words "amount per annum as an honorarium", and substituting therefor the words "honorarium and expenses", so that the amended subclause shall read as follows:

"2. Notwithstanding subsection (1), the chairman, who shall be a full time officer of the board, may be paid such honorarium and expenses as may be approved by the governor in council."

The Chairman: I indicated to the hon. member for Cape Breton South that I would have another look at his amended subamendment. When I reflect on this subamendment in the light of the opening words of the resolution on which the bill is based, I have some difficulty in finding that it is within the scope of the clause under consideration by the committee at the present time. The opening words of the resolution are:

That it is expedient to introduce a measure to establish an Atlantic development board and to define the duties thereof, to provide for the appointment of the chairman and other members of the board—

And so on. The clause on which the amendment and subamendment are based is clause 5(2), which reads as follows:

Notwithstanding subsection (1), the chairman of the board may be paid such honorarium not exceeding three thousand dollars a year as may be approved by the governor in council.

I cannot find either in the resolution or in clause 5(2) any contemplation of a full time chairman of the board. It is for this reason

that I am obliged to say that this subamendment goes outside the scope of the clause under consideration and the bill itself.

Mr. Knowles: Mr. Chairman, will you not hear argument before you rule on it?

The Chairman: Yes, I shall be glad to hear argument.

Mr. Knowles: As Your Honour realizes, we thought that the point raised with regard to the amendment as previously worded was cleared up when the word "salary" was changed to the word "honorarium". You now seem to be bothered by the question of whether the terms of the resolution are wide enough to contemplate a full time chairman.

I just heard you say a moment ago that you do not read in the resolution the contemplation of a full time chairman. I submit that you cannot read in the resolution any opposition to the chairman of the board being full time. The resolution which is the basis for the bill says that there is to be introduced a measure to establish an Atlantic development board and to define the duties thereof, to provide for the appointment of the chairman and other members of the board and for the payment of certain expenses, and so on. In that phrase providing for the appointment of a chairman and other members of the board there is nothing which says it is contemplated that they be part time, full time, spare time or what have you. The phraseology is "to provide for the appointment of the chairman and other members of the board". I submit that it is within the four corners of that very broad provision for the bill to provide that one of the members of that board shall be on a full time basis. I think you were right earlier, Mr. Chairman, when you suggested that all that was needed was to change the word "salary" to "honorarium".

The Chairman: I thank the hon. member for his contribution directed toward assisting the Chair. May I say that I am having as well some difficulty as to relevancy. When you look at the explanatory notes in the bill having to do with the clause under consideration you find opposite subsection 1 the words "travelling and living expenses" and opposite subclause 2 the words "honorarium to chairman". That is what led me to the point of view that this amendment which contemplates a full time chairman does extend the scope of the bill. I probably do not need to quote these authorities. However, I will put them on the record anyway. I refer to Beauchesne's fourth edition, page 285, citation 406 which states as follows:

> Amendments are out of order if they are (a) irrelevant to the bill, or beyond its scope,—

[The Chairman.]

That is the premise on which I rose to make a ruling on this particular subamendment. Then May, sixteenth edition, page 554, states at the beginning of the paragraph:

> An amendment which is out of order on any of the following grounds cannot be proposed from the Chair:
>
> 1. An amendment is out of order if it is irrelevant to the subject matter or beyond the scope of the bill, or if it is irrelevant to the subject matter or beyond the scope of the clause under consideration.

So I have to find, if not on the other basis certainly on the basis of relevancy, that this subamendment is out of order.

Amendment agreed to.

Clause as amended agreed to.

Clauses 6 to 8 inclusive agreed to.

On clause 9—*Objects and powers.*

Mr. McLean (Charlotte): Mr. Chairman, I must admit I am a little bit timid about rising in this house but I think the bill is very important to the maritimes. I have great sympathy for the minister. I came here as a businessman and after being in the house for two months I have quite a bit of sympathy with the government in that they have appointed their businessman to the other chamber. I have known the minister for a great many years. I know his heart is in the maritimes. I know we see eye to eye on tight money. I know we see eye to eye on the premium on the Canadian dollar.

Mr. McCleave: Come over here.

Mr. Martin (Essex East): No, just the opposite; the minister should come over here.

Mr. McLean (Charlotte): I should like to quote now from the *Globe and Mail* and I am not quoting this against the minister at all. The editorial quotes the minister as saying:

> I consider that the proposed legislation to set up an Atlantic development board is the most forward step ever taken in my lifetime for the benefit of the Atlantic provinces.

That was said by the minister, and the *Globe and Mail* goes on to say:

> It is difficult to share Mr. Flemming's enthusiasm.

I think the bill is a step in the right direction, although a small step. I have to support the minister in this move because I know his heart is in the maritimes. We have had a lot of commissions in the maritimes. The editorial goes on to say:

> All inquiries into the economic backwardness of the four provinces reached much the same conclusion. They all recognize that the area has immense unexploited natural wealth side by side with poverty and unemployment. They all recommend that the federal government should provide large sums of capital to give the maritimers a start in developing their resources.

I believe this is something that the bill lacks. We have had problems and we have had lots of advice, but in the maritimes we need money. If we cannot get cash on the barrelhead I think a fund should be set up and earmarked for the maritimes so that the government cannot spend the money on something else. Therefore I move:

That clause 9, subclause 1, be amended by adding a new paragraph after paragraph (b) as follows:

"(c) prepare a capital projects program providing for the expenditure over a five year period of two hundred and fifty million dollars as federal capital assistance for projects designed to enlarge the basic economy of the Atlantic region;"

and by relettering paragraph (c) as paragraph (d) and paragraph (d) as paragraph (e).

Mr. Pickersgill: Mr. Chairman, I should like to say a word or two in support of the amendment moved by the hon. member for Charlotte.

The Chairman: Order. I should like to hear from hon. members on its admissibility first.

Mr. McCleave: Mr. Chairman, I should like to raise a point of order with respect to the amendment which has been put before the committee. I have not looked at the authorities but it seems to me that the amendment is contrary to the rules and also contrary to the resolution preceding the bill in that it is not proper for an hon. member to present such an amendment. Therefore I raise a point of order with regard to it.

Mr. Pickersgill: Mr. Chairman, if I may be permitted to say a word or two on the point of order raised by the hon. member for Halifax, I would point out to Your Honour that the amendment does not prescribe any expenditure whatsoever. I was well aware of the fact that it would be improper to attempt to prescribe expenditures. All this proposal does is to authorize the board to prepare a capital projects program providing for the expenditure but the decision, as the minister properly pointed out last night when he was replying to me in another context, as to whether these expenditures would be recommended to parliament would have to be made by the governor in council and would have to appear in the estimates or in some other form.

All the amendment does is to set a target or goal for the board of a more precise nature than the targets or goals that are now there. It does not commit the government to spend one extra sou, except perhaps for a little expenditure on research which is provided for anyway. All it does is to focus the attention of the board on a capital projects program of a certain magnitude. Therefore it seems to me that the amendment does not in any way transgress the rule that a member who is without a message from the crown cannot propose any expenditure.

Mr. McCleave: If I may deal with the points raised by the hon. member for Bonavista-Twillingate, I would point out that the amendment means either one of two things. It either means that money is to be spent, in which case I submit my original point of order was well taken, or else it is a contrived trick by the hon. member who has moved the amendment; and I would not want to think that he had so done. If the hon. member for Bonavista-Twillingate is to be believed the amendment would give the appearance of expenditure to the public, but would really mean something else by reason of his placing the emphasis on the words "prepare a capital projects program" and forgetting the words "providing for the expenditure". He cannot have it both ways. I submit the amendment is clearly a money measure and therefore out of order.

The Chairman: I have listened to the very persuasive argument of the hon. member for Bonavista-Twillingate. In this amendment the words "providing for the expenditure" seem to be in conflict with section 61 of the standing orders, which reads as follows:

If any motion be made in the house for any public aid—

And I emphasize those words "any public aid".

—or charge upon the people, the consideration and debate thereof may not be presently entered upon, but shall be adjourned till such further day as the house thinks fit to appoint, and then it shall be referred to a committee of the whole house, before any resolution or vote of the house do pass thereupon.

Looking at the wording of the amendment, the implications in all directions seem to point to ultimate expenditure of public funds, and I hearken back to an authority I quoted earlier today when I referred to section 3 of citation 246 of Beauchesne's fourth edition which, in part, reads as follows:

The guiding principle in determining the effect of an amendment upon the financial initiative of the crown is that the communication, to which the royal demand of recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

Therefore if we go right to the basis of the whole bill, the resolution itself, such a capital outlay as this should have been contemplated there. On that ground also I have to find the amendment of the hon. member for Charlotte out of order.

Mr. Pickersgill: Before we leave this clause, Mr. Chairman, I am going to make an appeal

to the government to amend it in the way which the hon. member for Charlotte has suggested it be amended, but to leave out the phrase mentioning the sum of money. I may say respectfully, sir, and I am sure I can say it respectfully, that I do not agree with your ruling but I am not challenging it. I am going to appeal to the government, as everybody was led to believe that this death bed repentance after five years by the government, as represented by this bill, would contain an explicit carrying out of point No. 5 of the famous Moncton charter. It will be found that it is almost in exactly the same language as the amendment moved by the hon. member for Charlotte, who obviously was very familiar with the Moncton charter, as is everyone else in those provinces. It reads:

> Capital projects program to provide federal capital assistance for provincial projects designed to enlarge the basic economy of the area.

As an evidence of good faith, and if this board seriously intends to carry out that promise to bring about a capital projects program, I suggest that the minister amend the clause, that he put in a separate amendment in the precise language as suggested, as nearly as it can be done with the necessary legal draftsmanship. It does not require very much change to provide that the board prepare a capital projects program providing for federal capital assistance. He can just leave out the phrase dealing with expenditure over a five year period of $250 million, if that worries the government. The government is not committed to spend that; it is just a goal.

An hon. Member: It may not be enough.

Mr. Pickersgill: It may not be enough, but it would be nice to have something. I do not see what 22 years in the past, or even the past five years have to do with it. If the government is ready now to carry out the promise it made five years ago, we would like to help it.

Mr. Churchill: Do it by passing the bill.

Mr. Pickersgill: All right, I will assist the government by passing the bill. I will move:

> that clause 9, subclause (1) be amended by adding a new paragraph after paragraph (b) as follows:
>
> (c) prepare a capital projects program providing for federal capital assistance for projects designed to enlarge the basic economy of the Atlantic region; and by re-lettering paragraph (c) as paragraph (d) and paragraph (d) as paragraph (e).

That does not say anything about a sum of money. It does not commit the government to anything, but it does instruct the board to prepare a capital projects program as was promised in Moncton in 1957. I have done this just by striking out certain words in the other amendment, and I think it overcomes Your Honour's objections.

Mr. McCleave: Mr. Chairman, this again raises a point of order in that it seeks to do in a different way precisely what was ruled out of order a few moments ago. Even without setting forth a specific target of money it does suggest the expenditure of money, and for the reasons I gave before is clearly out of order.

I would also submit that there may be a point of redundancy here because subparagraph (c) contains a reference to "measures or projects", and as I understand it, the key word in this particular amendment is also "projects". For those two reasons I think that the hon. member should not be permitted to do by a back door method what his colleague was unable to do a few moments ago.

The Chairman: I am still having difficulty with this amendment. The previous amendment has been amended again by taking out certain words that were specifically pointing to encroachment on the financial initiative of the crown. For the reason I have already given and the authorities I have quoted I believe this amendment is covered again to some extent, or perhaps entirely, in the present subclause (c) of clause 9, and I find that the amendment is out of order.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I just want to make an observation concerning the amendment. I know it has been disposed of, but with unanimous consent I should like to refer back to it and say it is a bit unfortunate that in his maiden speech the hon. member for Charlotte was so restricted so far as time was concerned. I am sure I am expressing the hope of all hon. members when I say I trust the time will come in the not too distant future when we will be favoured with more extended remarks by the hon. member in connection with economic matters respecting which he has an excellent reputation in our part of the country.

The Chairman: Shall clause 9 carry?

Mr. Robichaud: Before this clause is carried I would like to say a few words and I shall try to be brief. I must say I am amazed at the insistance of the government in refusing to attach to the bill provision for a capital assistance fund, after all that has been said by the hon. member for Charlotte. Hon. members of the government party who represent the Atlantic provinces—

Mr. Flemming (Victoria-Carleton): May I ask the hon. member a question?

Mr. Robichaud: When I am through I will accept any question. They have committed themselves to a capital projects program. They have said that they favour the immediate institution of an Atlantic capital projects program which will provide federal capital assistance for provincial projects designed to enlarge the basic economy of the area. Now that they are given the opportunity in a bill which concerns primarily the Atlantic provinces they insist that no such capital fund provision should be included in this bill. They want to limit the power of this bill almost to inquiring and reporting. As has been said before in this debate, we have had inquiries in the Atlantic provinces and reports have been made to the government in connection with the needs of those provinces.

In referring to those needs I want to come back to the remarks made earlier by the minister when he was accusing members on this side of the house of not reading the bill and of not having seen it. We notice today that clause 5 had to be amended. The minister will surely not tell this committee that he has studied this bill, that he read this bill before it was introduced and at the same time allowed clause 5 to be presented as it was with a $3,000 salary for the chairman of the board. This is typical of the importance given to this board by the government. The minister further accused me, as the member for Gloucester county, of never showing any interest in the Atlantic provinces. I believe that on reflection, if the minister wants to go further back—

Mr. Flemming (Victoria-Carleton): I rise on a point of order, Mr. Chairman. I said, in supporting applications of a special nature. That was my complaint about the hon. member, that he had not supported submissions for special treatment for the maritimes.

Mr. Robichaud: Mr. Chairman, I think that if the minister will go back to the records of this house since I have been a member, since I first sat in this house in November, 1953, he will realize that on many, many occasions when I was sitting on the government side, as well as since I have been sitting in the opposition, I have made remarks which were in the general interests of the Atlantic provinces and I have supported every attempt that has been made by governments, whether the previous or the present administration, having to do with the interests or the development of the Atlantic provinces.

I would further refer the minister to notice of motion No. 40 on the order paper in my name, which reads as follows:

That in the opinion of this house the government give urgent consideration to the advisability of establishing an Atlantic provinces capital investment fund for the purpose of financing large projects essential to further the economic development of primary industries in these provinces.

Today we have a chance to include such a provision in this bill and we are being turned down by the government.

Mr. MacInnis: Mr. Chairman, this is a very important and integral part of this bill, dealing with the objects and powers of the Atlantic development board. We are concerned about the autonomy of this board and its independent power to inquire into, investigate and consider. I know the minister has elaborated on the fact that they have all this authority in clause 9 (1) (d) in that they are instructed to consider and report to the minister upon any other matters that in the opinion of the board may usefully be considered.

Our question is this. If this clause is intended to indicate that they have there the same authority as when a matter is referred to them by the minister, why is not the same terminology used as we find in paragraph (c), which says:

—with respect to particular measures or projects—

Not "matters":

—that may be referred to it by the minister, inquire into, assess and report—

Not "consider and report". In order to clear up this matter—and I am sure this is along the lines of what the minister intends —I move:

That subclause (1) (c) of clause 9 be amended by inserting after the words "by the minister" in the second line thereof the words "or which the board may itself determine", so that the amended subsection shall read as follows:

"(c) with respect to particular measures or projects that may be referred to it by the minister or which the board may itself determine, inquire into, assess and report"—

And so on, as in the original clause.

The Deputy Chairman: The hon. member for Cape Breton South moves an amendment which reads as follows:

Amend subclause (1) (c) of clause 9 by inserting after the words "by the minister" in the second line thereof the words "or which the board may itself determine", so that the amended subsection shall read as follows:

"(c) with respect to particular measures or projects that may be referred to it by the minister or which the board may itself determine, inquire into, assess and report to the minister upon the feasibility of such measures or projects and the effect thereof in relation to the economy of the Atlantic region, and make recommendations to the minister with respect to any such measures or projects that in the opinion of the board would significantly contribute to the growth and development of the economy of the Atlantic region; and"

Mr. McCleave: On a point of order, Mr. Chairman—

The Deputy Chairman: The hon. member for Royal.

Mr. Fairweather: Mr. Chairman, surely this is nit-picking. You have to read the clause as a whole, and I think the amendment is barren of any suggestion that will improve it. Clause 9 is the heart of the bill. Of course the board can itself determine these things, if one reads the whole clause. I think that in construing statutes that is the way it is done: you read the whole thing without qualification. I hope the hon. member for Cape Breton South will have some more useful amendments than this nit-picking one.

Mr. McCleave: Mr. Chairman, I was going to raise pretty much the same point that has just been suggested by the hon. member for Royal, in that clause 9, subclause 1 commences:

> The objects of the board are to inquire into and report to the minister upon measures and projects for fostering the economic growth and development of the Atlantic region of Canada—

Then there is paragraph (c) in connection with which the hon. member has just moved an amendment. In effect, it is repeating the same thing twice in one sentence, that is, that the objects of the board are to inquire into measures and projects. Then, in another part, according to this amendment, is the phrase "which the board may determine". The board has always had that power and I submit that this clutters up the bill with words which have no bearing.

Mr. Martin (Essex East): On the point of order, I think the observations made by the senior member for Halifax are not without merit, but if they are to be given the consequence he urges, the committee would have to take the same attitude with regard to (a) and (b) and the whole of (c). If it is worth while to draw attention to the various projects as is done in (a), (b) and (c)—and I think it is—then surely it ought to be worth while to spell out the particular amendments which hon. members opposite say are already implied in the operational part of the bill.

Mr. MacInnis: I wish to call attention for a few moments to the attitude of the government with regard to these things. When an amendment is moved, it is either outside the scope of the bill or it is repeating what is already there. We are suggesting that something is needed to clarify this clause. If it is not needed then why was the same terminology not used? I suggest that the only way to clear this up is to indicate in the bill what is meant. We are not asking the government to spend any more money; we are simply asking them to adopt a more reasonable attitude.

[The **Deputy Chairman.**]

Mr. Churchill: On this particular amendment the mover is attempting to introduce into the bill a subclause or a phrase which would give the board power to determine certain projects or measures rather than that they should be determined by the minister. A similar circumstance arose when we were dealing with the bill to set up the national energy board and I well remember the argument which went on at that time on this point. In this bill, however, I notice that (d) in clause 9 gives the board power to do exactly what the hon. member suggests, namely to consider and recommend to the minister "any other matters which in the opinion of the board may usefully be considered by it". That is precisely what the hon. member is attempting to write into subparagraph (c) and it is obviously an unnecessary addition to the bill.

Mr. Ryan: The minister has just said what I was about to say, namely that subclause (d) seems to cover the amendment.

Mr. Nicholson: It had not been my intention to take any part in this debate—

The Deputy Chairman: I might point out that the hon. member has the floor to discuss only the amendment.

Mr. Nicholson: I have followed the discussion with great interest and I am inclined to agree with the view that the powers are sufficiently wide for the board to do what is being suggested by the hon. member for Cape Breton South. I do not see that anything would be gained by pursuing the point.

Amendment (Mr. MacInnis) negatived: yeas, 48, nays 65.

Mr. Martin (Essex East): I should like to explain that if I had had the opportunity of voting I would have voted for the amendment. I did not vote because I was paired with the Secretary of State for External Affairs.

The Deputy Chairman: Shall clause 9 carry?

Mr. MacLean (Queens): Before the clause carries I should like to take the time of the committee for five minutes in order to make a few remarks because, as my colleague the hon. member for Victoria-Carleton said, this is the heart of the bill. We in the maritimes are very interested in this measure because we think it holds promise of being of very great value to the future of the Atlantic provinces. I think it has the possibility of

being of more benefit to the maritime provinces than even the special grants which were passed by this government a few years ago.

Before I continue, however, I should like to digress for a moment in order to congratulate the hon. member for Charlotte on his remarks and on his sincere interest in the economic welfare of the maritime provinces. As a member of my clan I welcome him, although politically he may be a black sheep. I regret that his motion was ruled out of order as one unacceptable to the committee. But it seems to me that the measure of the benefit which this legislation will provide is not determined by the phraseology, as long as the general intention of the act is clear, as I believe it is. I think, rather, that the measure of its benefit will be determined by the calibre, industry and judgment of the board and by the ability of the nation, using this government and future governments, to convert the recommendations of the board into realities.

The Atlantic provinces are not underdeveloped areas in the sense in which that term is applied to some other areas of the world. The difficulty in the Atlantic provinces has been that for about 100 years they have been unable to compete in many industries with the larger economic concentration in central Canada. Many industries which were formerly established in the maritimes have gone out of existence because for one reason or another they were not viable. At the time of confederation, the Atlantic provinces were at least as highly developed as what was then Upper and Lower Canada. As time went by they were, apparently, not able to compete with the larger economic units which were developing to the west and one after another many of the industries of the maritimes passed away or were purchased and closed down by competitors in other parts of Canada because they were a nuisance.

This is not peculiar to the Atlantic provinces, because our whole country is in the same position relative to the much greater economic and industrial development of the United States. But as a country we can on occasion protect certain industries and allow them to continue to exist—perhaps our automobile industry is a case in point here—by means of special taxes, protective tariffs, and other measures which are not applicable to one part of the country, or which cannot readily be made applicable to one part of the country. It seems to me that the first and most important problem that the board will have to face is to determine what forces prevented the survival of the industries of the Atlantic provinces. The second problem will be to determine whether or not these forces still operate, and, if they do, whether they can be removed; or whether there are other industries which can be established in the maritimes which are immune to the forces I have just been speaking about.

I think there is a changed situation in the Atlantic provinces, and for a number of reasons. I think that the prospects are much brighter than they have been in recent years. There have been many discoveries of new and important natural resources there. Due to a better, more generous attitude on the part of the central government, there are more improved standards of education and other services in the maritimes than ever existed before. There are increasing demands for certain resources, and as time goes by these demands are bound to increase, with a consequent beneficial effect on many of the products of the maritimes, especially food products. I am happy to say—and this will apply to food produced either on the land or from the sea—that there is a continued and healthy development, although nothing very spectacular, in the fishing industry of the maritime provinces. There is a continuous and healthy growth there; and as time goes by I think there will be an increased growth in the agricultural segment of the maritime industries, because we in the maritimes, for some reason or another, do not produce our own needs in respect to a number of basic foods, such as meat and many other foods.

I do not think there is anything more I want to say at the present time. I should like to feel that the members of the opposition associate themselves with my view that we can be of the greatest benefit to the maritime provinces at this time by passing this legislation, rather than by talking about it for any great length of time. This is a new departure, a new venture. It may not be perfect. As my colleague has said, to a point it is experimental. It has to be tested to see what benefit will accrue from it. The bill can be amended at a future time if it is found to be ineffective in some way or other. My belief is that we should try to dispense with endless discussion which really does not do anything to improve—

Mr. Martin (Essex East): We should not try to make the bill better. That is what the minister is saying. It is puny and worthless.

Mr. MacLean (Queens): That may be a view held by some hon. members, but my view is that if that is the case it will be proven by time. But if we go on endlessly discussing this matter, both among members of the opposition and perhaps some hon. members in other parts of the house, like a bunch of medieval alchemists debating what is the best formula for the philosopher's stone, or something like that, then like they

we shall talk for a long time and not make any progress. I suggest that we pass this measure and see if for once we can, without limiting anybody's right to debate, do something that is generally agreed will be beneficial to the Atlantic provinces.

Mr. Nowlan: Mr. Chairman, I have not taken part in the debate so far because I have been away at meetings with the treasury board, off and on, but I would not want this bill to go through without my expressing at least the fact that I am naturally very much in support of it. I believe it will do a great deal of good to help the economy of the Atlantic provinces. Whatever opinions might have been expressed—and of course, people are entitled to express their own opinions about it—the fact remains that those who live in the Atlantic provinces and are conversant with the problems there, as well as the newspapers, boards of trade and every organization which is close to the problems of that area, have welcomed the bill and supported the proposal. I suggest, as my colleagues from Prince Edward Island and New Brunswick have said, that we should get ahead and get this bill through. Then, if there are imperfections—and there is no question that there are; no bill is perfect—they can be attended to later. Its success will depend on personalities and upon personnel. But I do say that this is a bill which will help to further the economy of the Atlantic provinces, an economy which has been tremendously furthered, Mr. Chairman, during the past five years. I am intrigued by these people who sat back for 22½ years and did nothing for the Atlantic provinces, but who are now so anxious to to express their ideas about what should be done.

I am rather sick and tired of hearing the Atlantic provinces being referred to as a depressed area. The Atlantic provinces are no longer a depressed area. They may not have the same standard of prosperity as wealthy Ontario, or British Columbia, but there has been a mounting and a growing economy there, and the maritimes cannot be called a depressed area, whatever else it may be called. I believe that there is room for improvement. In the next five or ten years changes will take place—in trading relationships, the position on the east coast, the situation which may confront the United Kingdom should it join the common market, the situation with which we may be confronted in view of the Kennedy trade policy with relationship to the commonwealth. All these are matters which will have an impact on the economy of the maritimes, as it will on the economy of the country as a whole, and it is advisable to have such a board. I know that the board will be competent, will be able, and will draft to it the very best intelligent thinking which can be concentrated on these problems. I think that the result will be a further advancement of, and a greater dealing with, the very complicated problems with which a constantly shrinking world is confronting us these days, and which will become more perplexing during the days, months and years ahead.

Mr. Matheson: Mr. Chairman, may I contribute very briefly to this debate. I find it distasteful to be told by different members on the other side of this house that the only people who should comment on a bill dealing with a particular region are those people who reside in that region. Surely everybody in this committee has a right to speak on any bill which is to become a federal act, and I have a few observations to make with regard to this one. I should like to say that this bill on the whole represents an extension of an idea that has become very clear in the twenty fifth parliament even to an extent which was not as clear in the twenty fourth parliament, and that is that this government does not know how to govern.

Some hon. Members: Oh, oh.

Mr. Matheson: I do not want to make my remarks an extended address, but if necessary I will be quite happy to do so. I think it will be established by a whole series of bills which have come and will come before this committee that what this government is virtually saying is: "We do not know what to do. For goodness sakes let us appoint somebody—a committee, a commission, a group, a board, a group of experts—to tell us what to do". We are grateful for the fact that two of the ministers from the maritimes have so recently made their contributions to this debate.

What does impress us, even those of us from Upper Canada, is the fact that Bill No. C-94, which provides so little in the way of personnel under clause 3, and so little income under clause 5, asks under its objects and powers so much. Perhaps everybody in Canada does not know what these objects and powers are. Think of the broad requirements under subclause (a) of clause 9:

> —prepare on a systematic and comprehensive basis, and revise as required in the light of changing circumstances, an assessment of factors relevant to economic growth in the Atlantic region;

Subclause (b) is even more verbose in wording. We can summarize everything under subclause (a) and subclause (b) by a few words from the morning prayer of our Anglican

brethren when they confess: We have left undone those things which we ought to have done and we have done those things which we ought not to have done and there is no health in us; so please help us out. They are asking five people, one of whom is the chairman, to sit down and to tell them how to do something about the maritime region. It was on June 3, 1957, that the present Prime Minister spoke about the average real personal income of Canadians and said it had increased by more than 5 per cent between 1946 and 1955. He was speaking at Liverpool and he is reported in the Halifax *Chronicle-Herald*. The national Conservative leader said that: The real personal income of maritime residents was dropping. Actually the only change effected in these last five years is that the real personal income of all Canadians is dropping very substantially and the real personal income of maritime residents has continued to drop.

An hon. Member: Oh, fiddle.

Mr. Matheson: Someone on the government side says "oh fiddle". If necessary we will put on the order paper questions which will indicate clearly in statistics the extent of the drop. The fact is that there has been a drop, not only in production in Canada in these last five years—

The Deputy Chairman: I am sorry to interrupt the hon. member but I think he is straying very far from the item we have under discussion, namely clause 9 of the bill. I think the hon. member might come back to the clause we are studying.

Mr. Pickersgill: On the point you have raised, Mr. Chairman, may I say this. I wonder where Your Honour was when the Minister of Fisheries and the Minister of Finance were speaking, at which time they did not even mention the clause at all. They talked about 22 years when other people were in office. The hon. gentleman is talking about the powers of this board. Surely that is what we are on in clause 9.

Mr. Churchill: On the point of order, Mr. Chairman may I say that I think the hon. member for Bonavista-Twillingate would wish to withdraw his initial sentence "I wonder where Your Honour was" when something was happening. This is criticism of the Chair, something which I think is unparliamentary.

Mr. Robichaud: He has that right.

The Deputy Chairman: If I made a mistake initially, I do not think I should make a second one. If the remarks of the ministers were not relevant to the clause under discussion, I do not think I should fall into error a second time.

Mr. Matheson: Mr. Chairman, I shall try not to wander from the clause under discussion. My comments are with respect to clause 9 which deals with the objects and powers of the board. I think that every member of this committee, and the chairman, will agree that this clause 9 admits of about as wide a range in debate as possible. But I do not wish to go wider than is necessary. However, I am pointing out the strange anomaly in this bill of a small committee, with virtually no teeth in it, no moneys behind it, asked virtually to do everything. We have really a situation of the knight—and I am thinking of the committee being the knight—who is asked to jump on his horse and ride off in all directions at the same time. That is exactly what the situation is here. If we look at subclause (a) of clause 9, we find the Atlantic development board is asked virtually to prepare an assessment of economic growth. Therefore, we are asking the committee to re-do what the member from Davenport did some years ago with a very complex and expensive staff of experts, namely to study growth.

An hon. Member: Oh, oh.

Mr. Matheson: I am not going to listen to the interruption. Actually it is no longer growth, it is decline. What we are asking for under subclause (a) is for the board to make a sophisticated and technically demanding assessment of growth with respect to the maritime areas. Then under subclause (b) this board is asked to tell the government what to do about it. I think this point must be made, as it is certainly clear to us, not from one bill alone but from the succession of bills that have come before us, that really what this government has been asking is for someone to tell them what to do about major problems.

I was happy to hear the observations a few moments ago of the Minister of Finance who unfortunately left the chamber after his short contribution. I think he and the Minister of Fisheries a few minutes ago really touched on the basis of this thing, namely that much of the problem of the maritimes since confederation has been poor planning from the standpoint of a national program. In essence, Bill No. C-94, purports to ask a small group of maritimers to meet together and to devise techniques and ways and means by which they can bail out a government from poor planning from the standpoint of the whole.

We in upper Canada feel that some of the things that have particularly hurt the maritimes, and I am thinking of the things that affect them tradewise, sometimes fiscal policy and sometimes monetary policy, but particularly trade and transportation have curiously been the things that have impeded and limited our growth as well, even those persons who live in central Canada. Sometimes too easily members from the west and from the maritimes assume that we in central Canada benefit by these obstructive techniques, so beloved by this particular administration as they were beloved by their predecessors. I think perhaps all I can say in conclusion is that we are asking a very small group of people with virtually no money and with no special powers, to do everything. This of course, is ridiculous and impossible. It is impossible to have a bill accomplish everything. Here we have a bill which is asking a board to do everything and when we ask them to do everything with no facilities, no resources, no special direction, no real objects and no real sense of purpose, we are really telling them to do nothing at all.

The Deputy Chairman: Shall the clause carry?

Some hon. Members: Five o'clock.

The Deputy Chairman. Order. It being five o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Progress reported.

Mr. Speaker: It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, the first item being private bills as found at page 19.

PRIVATE BILLS

THE TRUSTEE BOARD OF THE PRESBYTERIAN CHURCH IN CANADA

The house in committee on Bill No. S-8, respecting the trustee board of the Presbyterian church in Canada—Mr. McIlraith—Mr. Paul in the chair.

On clause 1—*Repeal.*

Mr. Herridge: Who is the sponsor of this bill?

An hon. Member: The hon. member for Ottawa West.

[Mr. Matheson.]

Mr. Herridge: Would the hon. member proceed to give a general explanation of the purpose of this bill and the circumstances that caused its introduction?

Mr. McIlraith: Mr. Chairman, I gave an explanation at an earlier stage of the bill and I did not expect to have to repeat it at the committee stage. However, I am very happy and pleased to do so if the committee wishes.

The purpose of the bill is to amend the act under which the trustee board of the Presbyterian church in Canada is incorporated and to do so with particular reference to certain powers of investment that are given in the act. Those powers of investment were found to be deficient in one particular respect. The trustee board has the responsibility of administering pension funds, among other funds, and in the course of seeking to administer these pension funds it has been found that the act as it now reads provides that the board itself administers the funds and that it was impossible for the board to purchase insurance contracts or enter into agreements with insurance companies to administer these pensions. Likewise it was impossible for them to enter into an agreement with a trust company to administer the pensions or, indeed, to enter into a contract with the annuities branch of the federal government to purchase annuities for ministers and their families. That is the main reason why they are seeking an amendment.

The bill itself does certain other things. Section 15 of the act, having to do with powers of investment, limited the trustee board to the right to invest in those securities in which Canadian insurance companies may invest. The definition was so worded that it was not clear what Canadian insurance companies were involved. Therefore the section is being amended by paragraph (a) of clause 1 in order to restate that provision in such language as to make it clear that the trustee board may only invest its funds in those securities authorized under the Canadian and British Insurance Companies Act. It makes it clear, in other words, what legislation is intended to govern. There was an obscurity in the section as it stood.

In addition, it is provided that the trustee board is not restricted as to the proportion of their total investments that they may invest in common stocks of companies that meet the requirements and provisions of the Canadian and British Insurance Companies Act.

A part of clause 1, which will be paragraph (e) of section 15 in the act, gives the board the power to retain certain assets given to them, even though those assets may not come

within the requirements of the Canadian and British Insurance Companies Act. As the law stands without this provision, it is required of the board that it immediately sell such assets and invest the funds under the provisions set out for the investment of the rest of its trust funds. That power to retain assets given to them in the form in which they were when they were given is asked for in the clause I have mentioned.

What will be paragraph (f) of section 15 of the act, if the bill passes, deals with the point I first mentioned and is the more important point.

Section 23 of the act, which is dealt with in clause 2 of the bill, merely deals with administrative matters. The name of the administrative body of the church was changed by the general assembly of the Presbyterian church in Canada since the act was passed and this clause is required merely to make it clear that the new name is the one intended in the act as it now stands. It is merely a change of terminology with regard to the name of the administrative board. If there are any questions members wish to ask I will be glad to answer them.

Mr. Herridge: Is it correct to say, then, that these investments are largely made to provide pensions for the clergy and their dependants?

Mr. McIlraith: There are several trust funds held for other purposes. I cannot offhand give an inventory of the types of trust funds. However, in addition to pensions there would be funds for certain educational efforts within the church. They are general funds of the church as opposed to local funds of congregations in different areas.

Mr. Benidickson: Mr. Chairman, I take it that the members of the board have powers as trustees with respect to more than the payment of pensions to retired clergymen. However, I am interested in the latter point. Has the hon. member for Ottawa West any information as to the minimum pension paid from these funds to a retired minister of the Presbyterian church? I know that we are called upon to look into similar matters in connection with Canadian National Railways and some other funds. I also believe that there may be some gratuity provided under these funds for the benefit of Indians throughout the country. Is that so?

Mr. McIlraith: Indians?

Mr. Benidickson: I am thinking in terms of the obligation of the Presbyterian church to administer Indian schools. Is this in any way related to these funds or is it the view that the government reimburses the Presbyterian church adequately for their custodial care of Indian pupils in residential schools?

Mr. McIlraith: Mr. Chairman, to deal with the point raised as to other trust funds; there are several trust funds other than the pension fund. The board is charged with the responsibility of administering all the general trust funds of the church and the act is applicable to all such funds held in trust. I mentioned the pension fund first to indicate that it was because of the difficulty experienced in the administration of that fund that the board has come to parliament asking for an amendment. That is what caused the bill to be presented.

As to the second point raised by the hon. member for Kenora-Rainy River, I regret to say that I do not know whether any funds are held by the trustees for the benefit of Indians. I am not able to answer that question.

Mr. Benidickson: My point is that the churches have the administration of Indian residential schools and personally I have been concerned with respect to whether or not the government covers their operating costs.

I know the Presbyterian church has done a very noteworthy job with respect to the education of Indian children but I sometimes wonder whether the government carries the main burden or whether, through the contributions of their parishioners, the church does something for the education of Indian children in the residential schools administered by them. I rather doubt it. I rather think the government does the most part of that, and I just want to ask this question about it.

Mr. McIlraith: I am sorry, Mr. Chairman, I cannot give that information. I regret very much not being able to give it.

Mr. Barnett: I have been looking at the rather long and somewhat complicated paragraph (f) of clause 1, and I am interested in the part which commences about line 31. If I understand the situation correctly, power is being granted in respect of the establishment of pension funds, and reference is made authorizing arrangements to be entered into with one or more insurance or trust companies authorized under the laws of Canada and the laws of any province of Canada to transact business in Canada. Then it goes on to say:

> —or with Her Majesty in right of Canada, or with Her Majesty in right of any province of Canada, or otherwise;

It then goes on to indicate that any such plan may be varied or terminated under the jurisdiction of the various authorities within the church. I am wondering if that particular

part of the paragraph has been drafted in such a way that it might fit into any national all inclusive pension plan which might be established at a later date. I am interested to know whether that might have been a consideration in the minds of the people in the church who were interested in seeing this bill brought before the house.

Mr. McIlraith: I think, to the extent I am able to answer that question, the answer is that the trustees found they were having to administer in detail each individual pension granted, and after examination into this subject the proposal arose that they enter into a contract with a life insurance company and let the life insurance company administer certain of these pensions.

When that was being done they also examined the activities of the government annuities branch where you can use lump sums and buy government annuities. That was the thinking behind this. This was not drafted by me. It was drafted by one of considerable experience in these matters and I have no doubt the possibility of government pension funds being created was considered, and that such a contract could be entered into with an agency like that as well as with the annuities branch.

Then in the other place the words "trust companies" were added. It was pointed out that the clause did not provide for the trustee board entering into a contract with a trust company to administer these pensions. That was not in the original draft as submitted to the Senate, and the words "trust companies" were added there.

Mr. Barnett: In relation to the remarks just made by the hon. member for Ottawa West I would like to say I am very glad to hear his explanation of this point, and I would like to compliment the people in charge of this trust fund for looking forward to the day when we shall have a comprehensive national pension plan and for making provision that their particular plan can be fitted into it when the time comes. I hope the time will not be too far distant when there will be pension plans to embrace all Canadians.

Mr. Benidickson: Mr. Chairman, I was once an adherent of the Presbyterian church, of which I am proud. I am very pleased to see the Minister of Citizenship and Immigration in his seat in the chamber. I wish to ask what obligation there is on the part of the government of Canada for pensions relating to ordained ministers of this church, or any other church who, up to the time of their retirement, are devoted to education in Indian affairs and Eskimo affairs? Does the pension obligation go to the government of Canada or is it maintained by the various churches of Canada?

Mr. Scott: Mr. Chairman, I notice that the bill limits the investments to those in which life insurance companies invest. Is there any particular reason for the limitation, or was there a feeling that it might be advantageous to extend the scope of the investing powers to go beyond those to which life insurance companies are restricted?

Mr. McIlraith: No, Mr. Chairman. It was not intended to go beyond that scope. The legislation dealing with the power of life insurance companies to invest their funds was dealt with by this house some few years ago and is fairly well up to date. The current practice in parliament has been, in cases of incorporation of various types of religious bodies, to give them powers to invest in the investments authorized for funds covered by the Canadian and British Insurance Companies Act. That provision has been very carefully worked out by parliament, and this clause in that respect follows that practice in dealing with all these similar bills that have come before the House of Commons except, so far as I know, with one exception in recent years.

There is one change here in the limitation applicable to an insurance company, in that it can only invest 20 per cent of its funds in common stocks in the class of companies insurance companies are authorized to invest in. That is not made applicable in this clause. That limitation is taken out, the limitation as to the proportion that may be invested in common stock, but that is the only change.

Mr. Scott: I wonder if the sponsor of the bill could outline the investment policy to the house. Is it decided by the trustee board of the Presbyterian church or is it decided by the life insurance companies which the church retains to manage the fund?

Mr. McIlraith: The trustee board of the church is charged with that responsibility and it determines the investment policy exclusively. The life insurance company has nothing to do with determining the policy of investment of funds.

Mr. Berger: Could the hon. member tell us how the persons who act as trustees on the trustee board are elected or appointed? How are they chosen for the offices they hold on the trustee board?

Mr. McIlraith: The governing body of the Presbyterian church in Canada is, of course, the general assembly of the church, and incidentally the name given to the church is to be found curiously enough in the 1939 act

respecting the United Church of Canada. But be that as it may, the trustee board is the incorporated body and in a moment I can give the hon. member the precise reference. In any event, it is appointed by the general assembly and is made a corporate body under the act. The act is chapter 64 of the 1939 statutes.

Mr. Benidickson: Mr. Chairman, I did observe that the Minister of Citizenship and Immigration was otherwise occupied when I raised a question. I am sure he will answer me by letter. I simply want to reaffirm that my question relates to the pension duality, shall I say, of ordained people who might be entitled to certain privileges under a bill of this kind if they have perhaps devoted a certain part of their lives to teaching Indians or Eskimos. I am concerned about that. I would like to know the responsibility of the state and the responsibility of the church; not only this church, but any other church.

Mr. Bell (Carleton): Mr. Chairman, I apologize to my hon. friend from Kenora-Rainy River for not observing that he was asking me a question. I was endeavouring to concentrate on another matter. I will look at *Hansard* and if there is an appropriate reply I will certainly send it to him at the first opportunity.

Mr. Scott: Mr. Chairman, I wonder if the sponsor of the bill could tell us a little bit about this investment fund, its size, scope and the nature of its investments. I think the committee would be very interested in hearing about the fund. If the hon. member has any information I would be very glad to receive it from him.

Mr. McIlraith: Mr. Chairman, I regret that I have not that information. We had a member of the trustee board and a member of the pension committee before the miscellaneous private bills committee which dealt with this bill at the standing committee stage. I am sorry that question was not asked there and I regret that I do not have this information.

Clause agreed to.

Clause 2 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

THE SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, may I ask the unanimous consent of the house to giving precedence to item No. 11, a bill standing in my name? I would ask that it be taken before we proceed with item No. 2. It is a relatively short bill and will not take up too much time of the committee.

Mr. Alan Macnaughton (Mount Royal): Mr. Speaker, on a point of order, could I associate myself with the hon. member who has just spoken and asked that item No. 12, which is a very short bill to the same effect, also be given precedence ahead of the other divorce bills.

Mr. Speaker: The hon. member said "other divorce bills". I do not believe his bill is a divorce bill. I think he means "before the divorce bills".

Mr. Macnaughton: Yes, Mr. Speaker.

(Translation):

Mr. David Ouellet (Drummond-Arthabaska): Mr. Speaker, did I understand well? I am asking this merely because I did not hear very well. Is Bill S-12 the one to be put before the house?

Mr. Speaker: No. The house would be asked to consider Bills S-11 and S-14.

As requested by the hon. member for Marquette (Mr. Mandziuk), we shall first consider Bill S-11.

(Text):

The hon. member for Marquette (Mr. Mandziuk) asks the unanimous consent of the house that Bill No. S-11 be considered in committee of the whole prior to items 2 to 10. Has the hon. member unanimous consent? Agreed?

Some hon. Members: Agreed.

The house in committee on Bill No. S-11, respecting the Sovereign Life Assurance Company of Canada—Mr. Mandziuk—Mr. Paul in the chair.

On clause 1—*Name in French.*

Mr. Benidickson: Mr. Chairman, I see that the hon. member for Marquette is the sponsor of this bill. Has this bill any relationship to the taking over of this company by the small loans finance company known I believe as I.A.C.?

Mr. Mandziuk: Mr. Chairman, in reply to the hon. member I think a short statement would clarify the matter, avoid too many questions and save the time of the committee. The only intention of this bill is to give the Sovereign Life Assurance Company of Canada a French name in accordance with the letters of incorporation. The French name would be La Souveraine, compagnie d'assurance-vie du Canada. It does not change the obligations

of the company at all. The committee will notice these words under item 11 on the order paper:

Text of amendment printed in *Votes and Proceedings* of December 6 at pages 365-6.

There was an amendment after the bill passed the other place. When it was before the banking and commerce committee an amendment was suggested and passed, namely that the company could use either the English name or the French version of the name, and it could be sued in either name. That is the whole essence of this bill.

Mr. Benidickson: Mr. Chairman, I thank the hon. member for his reply. Perhaps I am wrong about this, but is this the Winnipeg company that was recently bought out by one of the small loans finance companies, as I call them?

Mr. Mandziuk: I am not aware of this, Mr. Chairman. I know that the Sovereign Life Assurance Company's head office is in Winnipeg. I also have information that about one third of its business is done in the province of Quebec. It is a strong company financially. But I am not aware of any such transaction at all.

Mr. McIlraith: Mr. Chairman, in supporting this bill I am given an opportunity to raise a point I would like to put forward. The bill is quite clear in that it is simply providing that the company, which was incorporated with an English name, may use a French translation or a French version of its name. It is one of several bills to this effect that we have had with increasing frequency these last few years. There were earlier ones, but they are now becoming more and more frequent. What I would like to point out is a deficiency in the Companies Act, the legislation which deals with companies incorporated by letters patent. There is no provision in the Companies Act to permit companies incorporated under that act to use a translation of their names. If they take a name in French they cannot use the English translation of it; if they take a name in English they cannot use the French translation of it.

It seems to me that this presents a difficulty, and I say this on the basis of some experience of cases of companies doing business in all parts of Canada. They find that in the part of Canada which is larger geographically a name in English is sufficient, but it is inappropriate and unsatisfactory for use in those parts of the country where French is the language principally spoken. It is a practical problem of considerable concern to many of the companies which are incorporated by letters patent. I hope this point will receive attention by the government, and that the simple amending legislation necessary may be brought forward in order that these companies shall have the same right as is granted to those companies which are incorporated by special act.

[Mr. Mandziuk.]

Mr. Benidickson: I would simply address one question to the sponsor of this bill, the hon. member for Marquette. If I was right in my surmise that this company will be a subsidiary of one of the large small loans companies—I think it is I.A.C.—which lend at high rates of interest, could he inform the committee whether he knows of any precedent, any case of another company taking over a life insurance company and to what extent this would involve either those who are insured by such a company or the normal rights of parliament with respect to lending under the Small Businesses Loans Act?

Mr. Mandziuk: I can understand the anxiety of the hon. member for Kenora-Rainy River. We would all be most anxious about a situation such as he describes. But as far I am instructed this is simply a life insurance company, and that is all I know. I have no other information on the subject. If I had, I would be only too glad to divulge it to the committee.

Mr. Scott: I wonder if the sponsor of this bill can tell us anything about this life insurance company. I understand that since this bill went into committee the Sovereign Life Insurance Company has been taken over by the I.A.C. which is owned by the Murchison brothers of Texas, a couple of American multi-millionaires. This is another example of the increasing tendency of Canadian assets to pass out of Canadian control. I say this because this life insurance company is now controlled from outside our borders.

I wonder if the hon. member for Marquette can tell us something about this company, for example its size, the nature of its assets, how much more of Canada has been taken from us by this take-over of a Canadian life insurance company.

Mr. Mandziuk: I am afraid I have not the information asked for.

Mr. Berger: May I say I am amazed that the sponsor of the bill is unable to inform the committee about the operations of this company. He is unable to throw light on events about which most members, I believe, have some knowledge, namely, that this life insurance company—

The Deputy Chairman: Order. I think the hon. member is asking the sponsor of the

bill for information about the general activities of the company. We are now considering clause 1 of the bill which seeks to change the name of the company, and the discussion is limited by the terms of this clause. I think the hon. member cannot ask for any comments on the activities of the company in general.

Mr. Berger: I appreciate the cogency of the remarks which have just fallen from you, Mr. Chairman, with respect to the propriety of the observations I had been making.

Let me deal with clause 1, as I was about to do before you intervened. It is designed to enable this company to use a French version of its name. The name of the company is the Sovereign Life Assurance Company of Canada, and the company now seeks to adopt the name La Souveraine compagnie d'assurance-vie du Canada. I am anxious to know whether this envisages an extension of the company's operations in the province of Quebec and other parts of Canada where the French language is spoken. I think members of the committee are entitled to know whether such an extension is contemplated.

With this issue before the committee, the committee is again concerned with the question of the ownership of this company. Is this company, which is, apparently, seeking to extend its operations into those parts of Canada where French is spoken, in fact a company which is now wholly owned and controlled by United States interests? This parliament has already had in recent years one unfortunate experience with Texas millionaires and I think the committee is entitled to have this information. I believe that hon. members opposite, many of whom represent the province of Quebec, would also appreciate knowing a little more about this company before agreeing to give it an opportunity to use another name to obtain premiums from French speaking Canadians which, apparently, will soon find their way into the hands of the Industrial Acceptance Corporation and be lent out again, probably to the same French speaking Canadians, at exorbitant rates of interest.

This is the matter I was seeking to bring to your attention, Mr. Chairman, and to the attention of members of this committee. I believe we should have additional information on this subject from the sponsor of the bill. The take-over of this life insurance company by a United States organization is a comparatively recent development and I think the committee is entitled to some information about that development. I urge the hon. member for Marquette to seek leave of the committee to have this debate adjourned so that he may come back at a later date when he is in a position to provide the house with this information. I am sure hon. members who come from French speaking parts of Canada will agree with the suggestion.

The Deputy Chairman: I am sorry to interrupt the hon. member but I ask him to read the explanatory note in the bill. The sole purpose of this bill is to permit a French version of the name of the company and I think the hon. member is out of order when he discusses the policy of the company. I am sure the hon. member will agree that his remarks are out of order.

Mr. Martin (Timmins): Mr. Chairman, the purpose of this bill is to give this company a French name. Does it not automatically follow that the purpose of this would be to enable them to practise in French-Canadian communities? I think that is perfectly in line with what the hon. member from Vancouver-Burrard said, that the very purpose of the bill is to make it more attractive to French-Canadian communities. I think the remarks of the hon. member are very applicable on this point.

Mr. Mandziuk: Mr. Chairman, I have already stated that according to the information I have this company is doing business in Quebec to the extent of about one third of its total business. As to the other questions which have been asked, I might say that I did not anticipate them because I did not think there was an issue on this bill, as the chairman has already intimated.

(Translation):

Mr. Ouellet: Mr. Chairman, several insurance companies have also asked to be designated under a French name lately. It seems to be the fashion, and everybody knows why.

I am familiar with that insurance company. It is undoubtedly an excellent company which has been in business for quite a long while. In my opinion, it wants a French name to be able to sell its policies to French Canadians by leading them to believe that it is a French-Canadian company.

If, as the N.D.P. member stated a moment ago, it is true that insurance companies are trying to find a way to catch the French Canadians of the province of Quebec off their guard, I may well oppose myself to the giving of a French name to those companies before long, because I feel that this English insurance company is looking for an indirect way of doing just that.

I was not against the bill concerning the Merit Insurance Company which was before the house last week. In fact, that piece of legislation purported to do the same thing, that is to give a French name to the Merit Insurance Company, which is controlled by Industrial Acceptance Corporation.

In my opinion, the mover has not given the house sufficient information concerning this bill, because I know that the loans granted by Industrial Acceptance Corporation are insured by that company. In fact, the life of the borrower is insured so that, in case of death, the debt is paid and the family is free of any liability.

Industrial Acceptance Corporation got control of that company to provide insurance itself instead of depending upon someone else for that.

Since there was no opposition to the bills previously submitted, I do not intend to oppose this one, because I believe it would be unfair to the company which, by the way, is a rather good one. However, I take this opportunity to say to the house that should such practice continue, I shall voice opposition the next time, and give my reasons therefor.

(Text):

Mr. Benidickson: Mr. Chairman, I simply want to rise to challenge, in a way, your suggestion as to the relevance of discussion. This bill does refer, of course, only to the question of adding a French version to the name of the Sovereign Life Assurance Company of Canada. I would suggest to you and to the committee, although I was not sure of my position until some friends told me I was right, that I.A.C. are the people who have made a successful bid to acquire this company. I care not about that, but I think our attitude as to the principle of adding a French name and of doing business in French-Canadian communities is very pertinent to the discussion before us.

With regard to the other questions which I raised, the sponsor of the bill is doing his best but he does not seem to be very well informed. I would ask him if he knows whether there is any precedent in Canada for a finance company having a good treasury taking over a life insurance company. I rather deplore the use of the liquid assets of one company to make it possible for another company to gobble up many others. I am serious about this because I think that is involved here. I think there is involved the sole purpose of the bill, as to whether or not their attitude to the French language and to the French version would be important. I understand that this company cannot exist—at least they cannot amend—without our approval. Our predecessors incorporated them.

I think a trend along a certain line should be of notice to this committee, and I would ask the sponsor if he knows whether any other company in Canada has bought out a life insurance company in Canada.

Mr. Berger: Mr. Chairman, lest anything I said earlier should be misunderstood by any hon. member, let me say at once that, in suggesting to the hon. member who is sponsoring this bill that it might be advisable that debate on this bill should be suspended and that he should report back to the house at a later date on some of the issues which have been raised, I did not intend to criticize, or to imply any criticism of the manner in which he has brought the bill before this committee. I think all hon. members know that the hon. member who is sponsoring this bill has won the admiration of the house for the way in which he has handled the bills which have been presented by him during this parliament. I should also make it clear that the members of this party do not oppose in principle the use by a corporation carrying on business in this country of a French version of its name. I think that all of us in this party feel that encouragement in the use of the French language by all English speaking Canadians, whether they be corporate or principal entities, is an excellent thing. I think all members of this party support the idea of encouraging bilingualism in this country so far as that can be done. But we were prompted to question the advisability of proceeding at once with this bill because of the fact that the use of a French version of the name of this company indicated that the company was extending its operations to other parts of Canada where French is spoken.

I understood from the sponsor of the bill that this company has in fact been operating in the province of Quebec for some years, and that one third of its business arises from that province. We can conclude from this only that the company has been operating in that province under the name of the Sovereign Life Assurance Company of Canada, a name which presumably has so far served it well, and one wonders whether the haste with which it has now come forward seeking to use a French version of its name is attributable to the recent development, of which hon. members have spoken, which indicates that the company in question has been taken over by United States investors. We are most concerned about this matter and we feel that all hon. members of the House of Commons should be concerned about it,

including—and I say this with great respect to him—the hon. member who sponsored the bill.

Once again I urge the hon. member to ask leave of the house to have this debate stand so that he may obtain further information about the status of this company, the reasons why it is seeking to adopt this French version of its name and so that he can inform the house on the question of the ownership of this company, who is going to control the company and all of the other matters about which I am sure all hon. members are most anxious to hear.

Mr. McIlraith: Mr. Chairman, it seems to me—and I may say I am not referring to the latter remarks of the hon. member who has just spoken—that we are getting away from the bill altogether. The question of the ownership and the regulation of Canadian insurance companies is dealt with by legislation coming under the control of this parliament. It is that legislation which should be amended if any amendment is required. However, in an attempt to meet the points of view of hon. members who are speaking about the ownership of the company, I would say that the transfer of ownership, the creating of profits and the taking out of profits from this company is another matter and does not have to do with this bill. I have not looked at the act of incorporation of this particular company, Mr. Chairman; however, if one looks at the insurance company legislation he will find that the acts of incorporation of most companies are very short, as the control is provided through the general legislation—and it is quite rigid control as to investment policies, the supervision of investments, the actuarial soundness of rates and all that sort of thing. Hence that part of the debate today, it seems to me, is irrelevant to the point before the Chair.

Referring to what I consider to be the matter before the committee may I say that this company is one that has been operating extensively, as I understand it, for some 50 or 60 years in the province of Quebec, as it has in other parts of Canada. Surely this committee is not going to deny to that company, with a great number of policyholders in an area where only the French language is spoken, the right to use the French language or the French version of its name. I speak on this subject with some interest, as over the last number of years or for quite some time I have been concerned with the inadequacy of our provision for granting the two versions of the name to companies being incorporated. It can be done by special act, but that method is not satisfactory. Most companies start as relatively small organizations in one part of the country or the other. It cannot be done by letters patent as the Companies Act does not provide any method for doing it.

However, I hope that the committee here will not be diverted from the point at issue and will not refuse this right to a company which has extensive customers or policyholders in a section of the country where the residents speak only a language different from that used in the name of the company in the act of incorporation. I would hope that this committee would permit them to have that right.

It seems to me that three separate points are being mixed here. I believe the right being sought in the bill is something that should be granted, quite regardless of the view held on the other points raised. That view is dealt with in legislation by parliament and administered by the department of insurance under the superintendent of insurance.

(Translation):

Mr. Marcoux: Mr. Chairman, I was very happy to hear the hon. member for Ottawa West (Mr. McIlraith) praise bilingualism. I see his point perfectly. I simply regret that I did not have an opportunity to rise earlier because I am afraid the clock will put an end to my remarks.

We know—and we are the first to request it—that companies and other agencies, particularly government agencies, should use French in addition to English.

As a preamble to the explanation to the bill, it was assumed that the company did over one third of its annual business in the province of Quebec. The company has the right to do that in accordance with its charter.

However, I wonder if the federal government is not slightly trespassing on the privilege of a provincial government when it gives this company a French name.

As the hon. member for Drummond-Arthabaska (Mr. Ouellet) said a moment ago, he had himself agreed to a French name for a company which had an English name before.

But since there is now a tendency to apply for these changes more often—and the companies are to be commended for it—I wonder whether we should not leave it to the provincial government of Quebec to issue letters patent or a corporate name for the province,

so that the province itself may set whatever requirements it feels appropriate for a company, since the province in question is obviously more aware of the situation than we are.

We have heard the hon. member for Marquette (Mr. Mandziuk) say that he has no information on the operations of the company. Perhaps a provincial government would be informed and could set certain requirements before granting a French name to a company which only had an English name before.

Since these applications might become very numerous, for a very good purpose probably, I submit that, as the province of Quebec is the most concerned in this, the federal government should not decide on the advisability of granting a federal charter enabling this company to use the same name throughout Canada. As the hon. member for Marquette suggests, this company insists on having a French name because it does one third of its business in the province of Quebec.

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

(Text):

Mr. McIlraith: Quebec has no jurisdiction.

Clause 1 stands.

Progress reported.

(Translation):

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration in committee of Bill No. C-94, to provide for the establishment of an Atlantic development board—Mr. Flemming (Victoria-Carleton)—Mr. Paul in the chair.

On clause 9—*Objects and purposes.*

At six o'clock the committee took recess.

(Text):

AFTER RECESS

The committee resumed at 8 p.m.

The Chairman: Shall clause 9 carry?

Mr. Pickersgill: No. There is just one observation I wish to make before the clause carries. I am prompted to make it by the observation of the Minister of Fisheries. I am sorry he is not in the chamber at the moment, but no doubt he will be here in a minute. He expressed regret that the speech of the hon. member for Charlotte should have been marred by the ruling out of order of his amendment. I hope Your Honour is not becoming apprehensive because I am not going to raise the question at all. All I am going to say is that the hon. member for Charlotte was trying to help this government to implement its promises of five years ago. It is extraordinary that the Minister of Fisheries should feel that any promise made by the government five years ago would be ruled out of order by the Chair.

Mr. MacInnis: Once again, it is not our intention to try and hold up the committee, but earlier today the minister indicated to us that it was most desirable this board be not shackled by government control or direction. He indicated that he hoped it would have a certain degree of autonomy and be able to act on its own. In so far as this clause is concerned, we are very anxious that the board be given the power to make sure the people of the Atlantic provinces and the people of Canada in general know what they are studying, what they have decided and what they have recommended.

I suggest that this situation is not completely covered by the usual type of annual report we get from these boards and to which reference is made in clause 19 of this bill. We should like to suggest, therefore, that every report and every conclusive recommendation of this board be made public so that the people will know what the board is doing, how quickly they are making progress and the type of thing they are presenting to the government. I therefore move that clause 9 be amended my adding thereto the following new subsection to be called subsection (3):

(3) The minister shall lay before parliament within fifteen days after the receipt thereof every report and recommendation submitted by the board to him or, in parliament is not then sitting, on any of the first fifteen days next thereafter that parliament is sitting.

The Chairman: At the outset, the hon. member for Cape Breton South referred to clause 19, and without ruling on the admissibility of this amendment I wonder if it would not have more application as an amendment to clause 19 rather than to this particular clause. Perhaps the hon. member would help the Chair by giving me his comments in that regard. We can then consider the admissibility of the amendment itself.

Mr. MacInnis: Very briefly, I may say clause 19 deals with the typical annual report that is made by any board or organization operating under the jurisdiction of the parliament of Canada. In this particular clause 9 we are dealing with the objects and powers of the board, and within the scope of those

powers we are most concerned that the minister be given the opportunity he indicated he is anxious to obtain, that is a certain degree of independence, a certain degree of autonomy for this board. If the minister is as anxious for concrete action on the part of this board as he has indicated so far to the house, if he is in fact so desirous that they be independent, then surely he would have no objection to this board making public the recommendations that they want this government to act upon. I believe it is in the interests of the people of this area that the government be not permitted to put the responsibility for economic difficulties in the Atlantic provinces on some board. In other words, we are suggesting that this should not be another continuing permanent royal commission but rather an active board that has, in fact, some autonomy and that is prepared to report to the people on their findings. If this amendment were accepted, we would have a much more responsible board and perhaps a much more active government.

Mr. Fairweather: Obviously you are most perceptive, Mr. Chairman. I do not see what the few remarks made by the hon. member for Cape Breton South had to do with your question about relevancy. Surely clause 19 is the clause, if any amendment is to be accepted relating to reporting. It should come later in the bill. Personally, I think this amendment is quite inappropriate and out of order.

If we are discussing, however, the merits of the amendment, it seems to me that the hon. member for Cape Breton South is unduly suspicious. Clause 19 provides for a statement relating to the activities of the board for the fiscal year and how the statement is to be laid before parliament. It seems to me this provision is quite adequate and the public interest will be best served by sticking to the clause now before us.

Mr. Scott: Mr. Chairman, speaking to the issue you have raised as to the relevant portion of the bill where the amendment should be introduced, I would with respect suggest that if you read paragraphs (c) and (d) of clause 9 it is made quite clear under these provisions that there will be a continuing number of reports given to the minister by the board on particular measures and projects, and on any other matters that the board considers important, and that throughout the years there will be quite a number of reports submitted from time to time. These do not in any way envisage the annual report, which is covered by clause 19 of the bill.

Keeping all that in view, then surely this is the only place in the bill where the hon. member for Cape Breton South can move an amendment of this kind so that these reports that are submitted to the minister will be made available to the public and to the House of Commons, where they can be reviewed and discussed. If the amendment is not relevant here, then I do not know on what portion of the bill it could be relevant. We are not particularly interested in having the annual report made available, but we are interested in all the reports which will be made from time to time by the board, in order that parliament and the people of Canada can see them. It seems to me this is obviously the place for an amendment of this kind.

Mr. Bell (Saint John-Albert): I am not sure, Mr. Chairman, whether you have ruled the amendment in order or not on this clause, but I have a point I wish to make regarding the amendment, whether it is moved on clause 9 or not, and it concerns the simple rule of confidentiality. I feel that to a certain degree the recommendations of this board should be considered as confidential. If the recommendations are to be of any use they must be frank, and for them to be reported in a full manner, as suggested by the amendment, would destroy their full value. I suggest that this is a serious argument against the amendment, whether it be in order on this clause or on a later clause.

Mr. Pickersgill: Is Your Honour still troubled by whether the amendment is in order or not?

The Chairman: I am quite prepared to hear additional argument.

Mr. Pickersgill: It appears to me that what the hon. gentleman is seeking to do is entirely different from what is sought in clause 19, which is the normal type of clause put into these bills providing for an annual report to parliament. The hon. gentleman is seeking to do exactly what is done by "Neddy" in the United Kingdom, and in many other cases, to have the reports on these economic proposals made public. It is an entirely different thing; and unless the government takes the view that what it is seeking to do is to get a group of confidential advisors to itself, of whose work the public will have no knowledge, then there can be little objection to the amendment. But if the government says that is the principle of the bill, then that is not exactly what most of us thought it was.

It seems to me that, unless it can be shown that this is contrary to the principle of the bill, then there is no difficulty in saying these particular reports should be made public. However, I would make a suggestion, if I might, to the hon. member for Cape Breton South. I think that the government would

have a pretty good case for objecting to making the reports public under paragraph (c). It seems to me that if this board is going to be a really useful board then the government ought to be able to ask the board for confidential advice and be able to keep that confidential when the minister himself initiates the query. It also seems to me that if the hon. member could modify his amendment so as to have the reports made public only under the provisions of paragraphs (a) and (b)—paragraph (a) is the one which states "prepare on a systematic and comprehensive basis," and that is a matter of public interest, while paragraph (b) is the one which states "keep under constant review appropriate methods of furthering the sound economic development of the Atlantic region"—then it would be a good thing to have public debate about reports made under those two paragraphs.

The same thing appears true about paragraph (d) which concerns something that is initiated by the board. But as one who has experience of government I do think that if the board is to be useful the minister should also be able to get confidential advice from it under the provisions of paragraph (c). If the hon. gentleman would be prepared to modify his amendment in that sense, it might be acceptable even to the government, because I am sure the government wants this board to be useful to the public as well as to the government. I can easily see why it would not want the reports made public under paragraph (c), where it is considering whether it should initiate a particular project and wanted confidential advice. I think it would be in the public interest for the government to have that confidential advice, and I respectfully offer this suggestion to the hon. member and to the minister.

Mr. Flemming (Victoria-Carleton): I am quite prepared to accept the general proposition in this particular instance that, in spite of the political tenor of his remarks, the hon. member for Cape Breton South was anxious to have this additional information and could see no particular reason why it should not be made general information and be of benefit to the board in its activities. However, I want to direct his attention to the fact that I have reason to believe that this matter was quite carefully discussed and the decision arrived at was that in this competitive day and age, and with the competition that exists today not only between industries but between countries, that if a company in a certain business was considering the establishment of a plant it would be somewhat restrained and would possibly make an adverse decision with respect to locating in a certain district if it were of the opinion that the board's reports and recommendations were going to be made public knowledge within 15 days. I think that is a very important point.

Many hon. members have risen to their feet to make comments from day to day on this bill, and they have expressed some misgivings that the board would be hampered in its activity. I agree there is always a danger in that, and I consider that this amendment would definitely be detrimental to the success which might accompany the efforts of the board to secure new industries for this region. It is on that basis, and on no other, that I tell the hon. member for Cape Breton South I have great hesitation in accepting his amendment in its present form.

There is also the question of the feasibility of industry. Whether it is feasible to establish an industry in a certain locality depends on a variety of factors, and if those factors are to be made public so that competitors can hear of them, that would bring about a degree of restraint and perhaps even a definite refusal to consider the establishment of industry in that particular locality. I offer that comment with the greatest amount of conviction possible on a broad basis, and having in mind the interests of the success of the board. I feel the amendment would not be helpful; in fact it would be quite the opposite.

Mr. Pickersgill: Would the minister permit me to ask him a question? Would he think that would apply to paragraph (a)? I am very much impressed by what the minister has just said with respect to paragraph (b), and I have already accepted his contention with respect to paragraph (c); but concerning paragraph (a) which deals with the "comprehensive basis" it seems to me it might be a very useful thing to have those assessments made public. So that it does not deal with the location; it is the general assessment of the area from time to time. It seems to me it would accomplish what the minister and I and the hon. member for Cape Breton South, and indeed every member of the house, would like to see; that is, more attention given by everyone to the broad factors relating to the development of the region. If that could be done, Mr. Chairman, it might perhaps be a compromise.

Mr. Churchill: Mr. Chairman, before the minister replies on that question and while he is giving consideration to the problem may I say that I appreciate the suggestion of the hon. member from Bonavista-Twillingate that some of this information would be of great

value to the general public. Of course it would. But surely it is within the competence of the board to determine that, and if it is doing the work which we expect of it, and I am sure it will, it will want to make public various factors concerning the projects, development or prospects in the Atlantic provinces.

This is my thought at this time. It is hardly necessary to write into an act that it shall be mandatory for a board to publish the assessment of the factors it may take into account during the course of its investigation. If this becomes a practice we would be asking all government boards, under compulsion, to make public a great number of matters which may not necessarily be required at the time. I would think it could better be left to the discretion of the board and then, if that is not satisfactory, there is the time honoured method in parliament of asking the minister of the department to give the information to parliament.

Mr. Martin (Essex East): We would be told it is a privileged document.

Mr. Churchill: There is opportunity to question the minister on these matters during the passage of estimates, and there is always the method of a motion for the production of papers.

Some hon. Members: Oh, oh.

Mr. Churchill: The hon. member for Bonavista-Twillingate gave the house the information a year or so ago as to how to get that dealt with by way of debate, and it was on his instruction that we wrote into the rules a method to deal with debate on a motion for the production of papers. Therefore, Mr. Chairman, all these methods are available without actually writing into an act instructions to a board to publish something other than what is normally published, an annual report to be laid before parliament and the financial statement. That to my way of thinking is satisfactory, without this addition.

Mr. Pearson: Mr. Chairman, the minister's argument is that discretion should be left to the board as to whether to make public its reports. I take it that is his argument. Further, he argues that it would be unwise to compel a board to make public its reports and surveys. I am not a lawyer, but it seems to me that this particular clause removes from the board any discretion in respect of making public its reports, because the clause reads:

> The objects of the board are to inquire into and report to the minister—

The board is not authorized to report to anybody but the minister. If that is the case, Mr. Chairman, surely it has no discretion as to whether it can make public its reports, because it can only report to the minister and the only person who would have any discretion as to whether the reports should be made public would be the minister.

Amendment (Mr. MacInnis) negatived: Yeas, 6; nays, 108.

The Chairman: I declare the amendment lost. Shall clause 9 carry?

Mr. Bell (Saint John-Albert): Mr. Chairman—

Mr. Martin (Essex East): Mr. Chairman—

The Chairman: The hon. parliamentary secretary.

Mr. Bell (Saint John-Albert): Mr. Chairman, during the discussion on the first clause of this bill I mentioned a project that I felt related the difficulties that I felt would occur with the compiling of statistics and figures. Under clause 9, dealing with the objects and powers of the board, I wish to mention in greater detail this project which I feel should have top priority. I proposed that priority should be given to a project to investigate fully the effect of winter navigation in the lower St. Lawrence on the ports of Saint John and Halifax. The exact figures—and this is the difficulty, Mr. Chairman—of destination and origin of traffic in the lower St. Lawrence would demonstrate the difference between legitimate St. Lawrence traffic and that business which would have come to our maritime ports originally but now flows through the St. Lawrence in winter.

There is serious misapprehension, as many have said, in the maritimes that all St. Lawrence winter shipping now appears to be business that would otherwise come to the ports of Saint John and Halifax. I will give an example. I suggest that European commodities arriving at, say, the port of Quebec by sea during the winter season and destined for a city such as Winnipeg would be business that might have landed at Saint John or Halifax. On the other hand, coastwise traffic in the lower St. Lawrence between the cities of Quebec and Seven Islands, or even overseas shipments in and out of these ports alone, that would not ordinarily be made until spring could not be expected to use maritime ports and would not be legitimate traffic for maritime ports under present circumstances. This would be the differentiation and it is the question that I feel is important to consider under this clause dealing with the powers given to this board. It is true that a study is now under way in the port of Saint John regarding traffic there,

but while this will be of some assistance with regard to the transshipments that go through the port, it does not deal with the heart of the problem, which is so important to our maritime ports.

Other matters that might be considered in this top priority project would be water and insurance rates. They could be considered because there is a growing fear that rates, be they water or insurance, are being equalized over all eastern ports so that the costs of ice hazards are now spread over every one of the eastern Atlantic ports. This means, in effect, that Halifax and Saint John are paying, as it were, for protection against the dangers of ice floes in the St. Lawrence. There is also a need for an assessment of the charges which have been made with respect to the use of government icebreakers, paid for by the Canadian taxpayer, to open up the St. Lawrence in winter to our detriment. The danger of flooding is often given as an excuse and I think an advisory committee appointed by the board could declare which areas should have protection from flooding afforded by icebreakers in a legitimate way. If this were done, the criticism would be removed. After the statistics have been compiled, they would, together with existing information, be a logical source of material upon which an advisory committee appointed by this board might reach its conclusions.

I am putting forward this proposal seriously and I hope it has the attention of everyone in this committee. This is a serious matter. I know the hon. members for Halifax will agree with me when I say we are very worried about the future of our winter activities in these ports. This would be one of the important tasks which an advisory committee appointed by this board could undertake right away. I have heard other projects mentioned. I shall not elaborate on these. I only hope the proposal I have just made will be given every consideration and that the result will have an important bearing on a matter which concerns the lifeblood of the maritime provinces.

Mr. Pearson: That is a very interesting suggestion made by the hon. member and it is too bad that a report of this importance and of this character cannot be made public by the board.

The Chairman: The hon. member for Lapointe.

Mr. Bell (Saint John-Albert): I feel I should reply to the observation made by the Leader of the Opposition. I presume he is sincerely interested in this question.

[Mr. Bell (Saint John-Albert).]

The Chairman: Order. I have recognized the hon. member for Lapointe.

(Translation):

Mr. Gregoire: Mr. Chairman, I should like to say but one word to challenge the statement just made by the hon. member for Saint John-Albert (Mr. Bell) and to call the attention of the committee to the fact that you will never develop an area by preventing the development of another. Winter navigation on the St. Lawrence as far as Quebec city or even farther up will not cut winter navigation in the harbours of Halifax and Saint John, in the maritimes.

I feel that if such a survey is to be made, it should not be made to try and block up certain entrances but to open up all our eastern ports. Therefore, if such a survey is made, the fact should be borne in mind that all areas of the country must be developed.

(Text):

Mr. Bell (Saint John-Albert): I appreciate the remarks made by the hon. member for Lapointe. There is no intention to interfere with natural progress. I merely called for an assessment of our problem so that we may know exactly where we stand with respect to the moneys of all the people of Canada.

With regard to the statement made by the Leader of the Opposition, I feel that the statistics of the Department of National Revenue and of the national harbours board which will give us the origin and destination of this traffic in the St. Lawrence have some degree of confidentiality attached to them, but they might be made available to this committee which could then make public its recommendations concerning this question.

Mr. Martin (Essex East): In the course of this discussion we have not heard from the minister about the extent of the co-operation which this proposed body would have with the other boards which are being set up this session and with other, similar agencies which the government has set up from time to time obviously, in the past, at any rate, with the object of postponing decisions on important problems confronting the country.

We cannot pass clause 9 without addressing ourselves to the implications of subclause (2). It is regrettable that in a session during which the government is bringing forward measures which have to do with the establishment of so many boards, we did not begin our discussion with consideration of the first body which should naturally have been presented to us, namely the national economic development board. But this government, apparently not anxious to plan nationally, is not prepared to plan its work in this house and, as a result,

we are dealing in improper chronological order with these matters. I suggest it would have been proper to have dealt with the national economic development board first, then proceed to the amendments of the productivity council measure. We would then proceed with the Atlantic development board, not because the latter is not as important as the other boards in its proper context but because of the priority of the latter's functions. Had that order been observed, it would have fitted better into the over-all pattern.

Clause 9(2) calls upon the board to co-operate "to the greatest possible extent"—and I may say in passing that that is an unusual phrase to find in a statute. I complained last night about the imperfection in the draftsmanship of this bill. While I do not want to attribute that imperfection to the law officers of the crown, one of whom is present in this chamber, nevertheless it is, as I say, unusual to find this kind of language used in a statute. The bill does say that the board shall, to the greatest possible extent consistent with the performance of its duties under this act—whatever that may mean; I hope the minister is able to explain it—co-operate with the national development board, the national productivity council and all the departments, branches and other agencies of the government of Canada having duties relating to or having aims or objects related to those of the board. It would be interesting to know, first of all, what other agencies of the government of Canada, having duties or aims or objects related to those of this board, will provide an occasion for collaboration and co-operation under the terms of this subclause. The minister owes the committee an explanation, I think, in fairness to the statement made by the Minister of Finance when he introduced the measure dealing with the national economic development board—a statement to the effect that there was to be a form of integration between these various boards and the body which was the subject matter of the resolution the house was discussing at that time.

What is meant by saying that to the greatest possible extent there will be co-operation between this particular board and the national economic development board and the national productivity council? When the minister addresses himself to that question he will have to explain whether or not it is the intention to broaden the base of the productivity council itself, having in mind the complaints registered against that body by labour organizations and others which have criticized the narrowness of that particular council's approach. How is the Atlantic development board going to co-operate with the productivity council whose base is said by a wide section of public opinion in this country, including the chairman of that body, not to be broad enough? The minister must tell us that tonight because this clause imposes upon the board the duty of co-operation between it and the productivity council.

What is the relationship to be between this board and the national economic development board? Is the latter to be the dominant body? Is it to be the body which will take the initiative in bringing about this co-operation? How are these various bodies going to get together? I can very well visualize the reply that the minister is going to make. In that very generous, understanding, wholesome manner of his he is going to say: "Of course, the hon. gentleman, who has had experience on the ministerial benches, knows perfectly well how these things will work out", and he will say that if we will just have patience, not put too many embarrassing questions and will pass this bill readily, everything will work out well. That is the technique of my hon. friend, for whom, as he knows, I have the greatest personal esteem; but I am not going to allow that personal esteem to dominate my conviction as to the inadequacies of this measure.

Mr. Chairman, I am going to ask him now to tell us how this co-operation is going to take place. I suggest to him that this is the all important matter, now that the government has decided to set up this special board. We agree with it in principle. Personally I would have preferred to see the national board operate all over the country, with subdivisions which would have taken into account the special and serious economic problems of the Atlantic area. But now that the government has decided on this autonomous technique, giving to each of these boards a sovereignty of its own, it will be up to the minister to explain to us exactly how this kind of co-operation is going to be effected. Which minister is going to be in charge of the co-operation? Is it going to be the Minister of Finance, the Minister of National Revenue, the Minister of Labour, or the Minister of Trade and Commerce, who has to do with the productivity council? Or perhaps it is going to be the Minister without Portfolio in another house, in which event it would be most regrettable because we would be denied the opportunity in this house of examining him as to the success of the co-operation envisaged in clause 9(2). I hope my hon. friend will not regard this as a specious or luxurious argument, because it is not.

Mr. McGee: It is a filibuster.

Atlantic Development Board

Mr. Martin (Essex East): My hon. friend from Scarborough says "filibuster". The greatest contribution he has made so far this session is the use of three words. One of them has been "filibuster," another has been "nonsense", and the third has been "stupid". I would say that all three apply to him in equal measure. My hon. friend the Leader of the Opposition points out to me that only one of them is an adjective, but let me put the nouns adjectivally because they still apply.

I would say to the minister that this is a very important matter. Either the government means business or it does not. The minister has not used the word "planning" once. The Minister of Finance has used the word "planning" once. The Minister of Labour outside this house today, when speaking to those who like the word "planning"—the members of the Canadian Congress of Labour—interlarded his whole speech with the word "planning" in almost every sentence. Does the government really intend to effect a planning process in trying to meet these problems? Is that the kind of co-operation which is envisaged in subsection (2)? I hope the minister will not think that I have been unfair with him tonight in asking him to tell us precisely how this co-operation is going to take place. What type of integration is going to be developed, or are we going to allow these three bodies to function independently of each other? Are we going to say that the fact that 14 per cent of the work force of Canada is out of work in the maritime provinces is a problem not related to the rest of Canada?

Mr. Chairman, the other day I attended, with the mayor from Moncton, the hon. member for Essex West, the hon. member for Essex South, a delegation of mayors from southwestern Ontario, and Essex county in particular, and certain mayors from the maritime provinces—

Mr. Flemming (Victoria-Carleton): Would the hon. gentleman permit a question?

Mr. Martin (Essex East): Yes.

Mr. Flemming (Victoria-Carleton): May I ask the hon. gentleman where he gets his figure of 14 per cent?

Mr. Martin (Essex East): My hon. friend asks me that. He ought to turn to his right and ask the Minister of Labour, because as a matter of fact he would find that last winter it was higher than 14 per cent.

Mr. Starr: Oh no.

Mr. Flemming (Victoria-Carleton): I understood you to say that it was 14 per cent at the present time.

Mr. Martin (Essex East): Would my hon. friend tell me what the figure is right now?

[Mr. McGee.]

Mr. Flemming (Victoria-Carleton): The hon. member said it was 14 per cent.

Mr. Martin (Essex East): I would ask my hon. friend whether I am wrong in that statement.

Mr. Starr: You are.

Mr. Martin (Essex East): The Minister of Labour says that I am. I will let him produce the figures. I do not think I am wrong. But when I heard the Minister of Labour talking to the Canadian Congress of Labour this morning, speaking of the figures of unemployment, I would say to him that the figures which he gave on this occasion were not accurate either.

I was dealing with the nature of the problem which affects this particular board in relation to the rest of the country, and I pointed out that about ten days ago the members of parliament from the constituencies to which I referred, together with three mayors from Sydney, Glace Bay and one other town in Nova Scotia, and mayors from the city of Windsor, Tecumseh and Ojibway, and other places in Essex county, met with the Minister of Trade and Commerce. The Minister of Labour was not present, nor was the Minister of Finance, but the Minister of National Health and Welfare was there as the presiding officer and we discussed a problem that is common to many areas in Canada, especially to the maritime provinces and the many industrial areas of the country. I refer to the problem of runaway industry. We wanted to know what measures the government was prepared to take to deal with this very difficult situation. We wanted to know what fiscal measures the government had in mind. Was the government giving consideration to such things as a town and country act such as they have in England, or to the unemployment act passed in 1960 in England, as a means of trying to relieve the unemployment which resulted from industries moving from one area of high employment to an area of less employment? That is a problem not only common to the maritime provinces, where it attends many constituencies, but it is also a problem which affects many other areas, including the area from which I come.

What is going to be done about that problem? That is what is involved in clause 9(2). If the minister wants us to pass this measure and have us understand it in the terms in which it is presented, then let him tell us how he is going to deal, and how this government is going to deal, with this particular problem. The minister says, let us pass this bill and give it a trial. Of course we want to pass this bill, but we want to pass it with an

appreciation of what the government really intends to do about the implications and the provisions in this clause, which could mean, if properly resorted to, a great deal of relief in the matter of the relocation of industry to which I have just referred.

Mr. Chairman, these are not matters of ordinary concern. These are matters of great moment which affect thousands of people in our country. Surely we have the right tonight to ask the minister exactly what he means when he says that this board is going to work with the national economic development board, the national productivity council, all departments, branches, and other agencies of the government of Canada having duties, aims or objects relating to those of this board. Those are wonderful words. I now call upon the minister to give meaning to them.

Mr. Nicholson: Mr. Chairman, at the outset of what I have to say I wish to associate myself with the point of view expressed this afternoon by the hon. member for Leeds. He took strong issue with the suggestion from the opposite side of the house that the debate on this very important item of legislation should be confined to the members of the Atlantic provinces.

An hon. Member: That was never suggested.

Mr. Nicholson: I heard it. It is in *Hansard*. I wish to identify myself very closely with what the hon. member for Leeds said, as I fully believe the position which he took is the only sound one. Simply because I do not represent a constituency in the Atlantic provinces does not mean that I and other members of this House of Commons have not followed this bill with just as keen interest as have hon. members from the maritime provinces during the course of the debate.

References were made—one by the hon. member for York-Sunbury, as I recall it—to the migration from the Atlantic provinces to other parts of Canada. Since I am one of the migrants it would be most surprising if my interest in the maritime provinces and the well-being of the Atlantic provinces is not just as keen as that of those hon. members who still live there. It was because of this special interest, not because I intended to take any part in the debate, that I carefully studied Bill No. C-94. I spent a great deal of time on it, especially on the clause now under review, namely clause 9. It was perhaps because of the diligence with which the hon. member for Spadina and I pursued this study that we two joined with the other members on this side of the house in opposing the amendment that was proposed. We felt that the power which the hon. member for Cape Breton South was trying to get already existed. However, it is one thing to be of the opinion that a board has the power sought by the hon. member for Cape Breton South, that it is already in existence, but it is a very different thing to agree with the government that this bill contains all the objects and powers that are needed to make it the success which the people of the maritimes and the people of the rest of Canada hope it will be.

When I heard the Minister of National Revenue introduce this bill I was hopeful that the government had some well conceived plan of action tied with the plan of action for the national economic development board. I was hopeful that the government contemplated the establishment of a board which could play an effective part in shaping a program that would restore the prosperity that existed in the maritime provinces when my four grandparents settled there well over one hundred years ago. However, a study of the objects and the powers will show that such is not the case. In the first place—and here I think the hon. member for Essex East put his finger on one of the weaknesses, one very important fact. We do not know how this national economic development council is going to function in conjunction with the economic development board for the Atlantic regions. It is quite true that in subclause 2 of clause 9 reference is made to the fact that there shall be co-operation between these boards. However, co-operation is not enough. The C.B.C. and the other great board in our field of telecommunications are supposed to co-operate, but we have seen what has happened there. More than that is needed. What is needed is some form of mechanism that will bring about an effective working arrangement between the boards. It could be in the form of interlocking directorates or common members of the different boards. However, that weakness certainly exists.

I might say that when I first discussed this bill—and I was disappointed when I saw the bill; not when I saw the resolution, but when I saw the bill—when I first discussed it with other members, not just those on this side of the chamber but from other parts of the house, considerable concern was expressed as to why there should be a separate board for only one part of Canada. I might say that I am not one who shares that view. I believe that if an economic development board for the Atlantic region, composed of well informed, courageous and dedicated people—and there are plenty of them in that part of Canada—had an assurance of adequate funds with which to do some of the work that is essential down there, and had the assurance that they would have capital at the right time to correct the economic ills they find, much could be done. My reasons

for saying that there should be a special economic development in the Atlantic regions are very simple. It is a known fact that since confederation economic developments, not in all parts but unfortunately in too many parts, of the maritime provinces have lagged behind the rest of Canada. Prospects and economic conditions down there are certainly not nearly as bright as my friend the Minister of Finance this afternoon intimated they were. Whether the figure is 14 per cent as suggested by the hon. member for Essex East or some slightly lower figure, it is still the highest unemployment level in Canada; and something should be done to improve conditions down there.

It is not because of the people of the maritimes that this difficulty exists. Not only have some of our greatest educationists, industrialists, bankers and lawyers but, and by no means the least, some of our ablest politicians have certainly come from that part of the world. However, in spite of the acknowledged ability of these people from the maritimes, the economy has lagged behind that of the rest of Canada. I say that the reason is a simple one. Geographically and economically the Atlantic provinces have closer ties with the New England states than they have with central and western Canada. The Atlantic provinces, however, have very strong ties with the rest of Canada, including ties of sentiment and of blood. These are very strong ties. If these ties had not been as strong as they are, they might have snapped long before this. As I say, in spite of these economic difficulties, the maritimes are still a very important and vital part of this nation. However, they need more than an act such as the one within the framework of this bill.

All of the maritime provinces have untapped resources. Newfoundland has a richness of forest wealth and has an important forest industry that needs help. It has great mineral wealth. We are just beginning to realize the importance of the mineral wealth of this tenth province. New Brunswick has rich forest land. It has valuable fisheries. It also has mineral wealth and a great hydroelectric potential. Nova Scotia and Prince Edward Island have great wealth. However, the mineral and the forest wealth of Newfoundland needs more than advice and encouragement. It needs more exploration. It needs more geological work and more research, and it certainly needs working capital. Then I might mention the huge salt deposits in Nova Scotia—many Canadians have never heard of them—and the natural gas wells down near the Tantramar marshes. With the scientific developments that have gone on in the last 20 years there are great possibilities in this part of Canada, not to mention the province of New Brunswick.

There is an industry there now, but what it needs is working capital. Many people would be astounded at the development that would be possible in the peat bogs of Northumberland county. So, I say that the difficulty under which the maritime provinces are working is this geographical barrier which ties them closer to the New England states than to central Canada. We have a special problem, and that problem needs a special board, an Atlantic regional board to handle it. I feel that this board should have the assurance of the necessary financing behind it. It is for this reason I was disappointed when the very constructive suggestion included in the amendment moved by the hon. member for Charlotte was turned down this afternoon on a technicality.

I do not believe that anyone could seriously quarrel with the reasoning of the chairman when this amendment was turned down. Nevertheless, there is so much merit in the suggestion put forward by the hon. member for Charlotte that I feel the minister who is sponsoring this bill should give it careful consideration. He should see that funds of the magnitude suggested by the hon. member are made available by the government. The fact that there is no provision of that kind in the bill, the fact that we had barely opened discussion of this bill when it was announced the provision for the $3,000 salary would be amended authorizing the government to fix the salary, illustrates the fact that this bill has not had the careful thought and consideration the economic plight of the martime provinces would warrant. This concrete suggestion by the hon. member for Charlotte should receive consideration, and I commend it to the minister. I say that if a private member cannot move such an amendment, there is no reason why the government cannot take it under advisement overnight and come back with an amendment that would cover the situation.

Before I sit down, Mr. Chairman, there is one other suggestion I should like to put forward, and which I also commend to the government for its consideration. I believe this suggestion would go a long way toward providing a satisfactory answer to the question that has been troubling the hon. member for Essex East as well as other members in this house. I refer to the question, what do we do with two economic development councils and a national productivity council, and how are they going to work together? I suggest this bill might be amended, or perhaps Bill No. C-87 providing for the national productivity council might be amended, to provide for an interlocking membership. At

least the chairman of the Atlantic board should, ex officio, be a member of the national board. This is a constructive suggestion that should be implemented in one of these bills. I am putting this forward merely in the hope that it will be accepted and acted upon in the spirit in which it is made.

(Translation):

Mr. Maltais: Mr. Chairman, I have only a few remarks to make on clause 9 of Bill No. C-94.

I agree with the hon. members. As a matter of fact, I put the following question a few days ago: What are exactly the duties of all boards that are presently at the service of the government? But I feel that the Atlantic provinces form part of an area which has been overlooked in the past, in the political and economical history of Canada. Now, those provinces, as well as areas such as the one I represent, the lower St. Lawrence and the north shore districts, need a very special board to protect their interests.

On the other hand, Mr. Chairman, I do not agree with the hon. member who was wondering, a moment ago, about the usefulness of winter navigation on the St. Lawrence river.

Like the hon. member for Lapointe, I submit that one region should not be ruined to help another one. One region should not be deprived of what it succeeded in obtaining after years of difficulties and requests, to assist another region.

I wonder if the hon. member, when he asked if it was useful to spend so much money to open up the St. Lawrence in winter, thought of putting the question to the agricultural producers of the Atlantic regions as well as to the potato producers.

I would like an inquiry like that one be made to find out if the money used to ensure winter navigation on the St. Lawrence river really helps potato producers and other producers in the Atlantic area.

Mr. Chairman, those are the few words I wanted to add to the remarks of the hon. member.

(Text):

Mr. Macquarrie: Mr. Chairman—

Mr. Pickersgill: Back from the wars.

Mr. Macquarrie: I wish that the rules of the house would permit me to comment on that remark by my hon. friend, so I could acquaint him with the results of that war. I should like to say a word about this important matter. I hope the member for Essex East was not suggesting that greater priority should attach to the other boards he mentioned.

Mr. Martin (Essex East): I was suggesting the opposite.

Mr. Macquarrie: I was not exactly sure what he said, but recalling the record of the government of which he was a member I thought he had put forward the suggestions I have outlined. However, I will take his word for it. I recall quite well that the leader of his party in my province declared the government of which he was a member had not even given my province half a deal.

This forward step is something which we should all applaud. I very much appreciate the fact that members from other parts of the country have spoken on this important matter. As the hon. member for Vancouver Centre, who spoke this evening, said, we are still a vital part of the dominion and we have throughout the years suffered from some political and economic policies which were nationally developed. I feel, therefore, it is high time that a board of eminence and priority was assigned to look upon our region and to assist us to develop policies of self-help which will bring our region to a level comparable to the other parts of the dominion. This, I regard, as an essential second step to the kind of direct assistance through subsidies, as well as conditional and unconditional grants, which have come our way in the last five years. The improvement in the last five years is exemplified by the fact that in my own little province these have been increased from $5 million plus to $12.5 million.

I want to say that the suggestion made by the hon. member for Vancouver Centre commends itself to me. I refer to the suggestion that the chairman of this very important body, which I say takes second place to any mentioned by the hon. member for Essex East, might very well be ex officio a member of the national economic development board. This strikes me as being an extremely valuable suggestion. I do not know of any national board which could not profit by the presence of a maritimer, if immodesty may be pardoned.

I would like to commend to the minister under clause 9, when we consider the measures to deal with the problems connected with the fostering of economic growth and development, that our ancient industry of agriculture be not ignored. There is a narrow concept of the word "industry" as being something that is symbolized by a factory and belching smokestack. We of course want industries developed in our provinces by the sea, but we also want a greater rationalization of our ancient industry of agriculture.

I would impress upon the minister with all the sincerity at my command that when

this board is set up, and I hope it will be set up soon, that an integration, a rationalization and advancement of the agricultural industry be given great consideration. There is much we can do. We are a deficiency area in agricultural products which we produce in the very highest and most acceptable degree.

I would like to say too, and say it very briefly, that naturally I consider that among those projects the feasibility of which need no further consideration is the causeway linking my province with New Brunswick, a project in which a certain hon. member across the way has developed a keen interest of late years. We regard this as a decision which has already been taken, and I rejoice in what the minister said the other day. However there may well be important economic considerations which might be looked at most carefully by this board. One sees an interesting social and economic pattern developing at either end of the Canso causeway, and I would think forward looking gentlemen of the board ought to give consideration to what will happen when other provinces in the maritimes are finally linked to the banner province of Prince Edward Island.

I rejoice in the scope of the bill. I think that clause 9 betokens the kind of co-operation which will be conducive to an improvement of maritime conditions and I am one who is not at all concerned, despite the eloquence of the hon. member for Essex East, about the feasibility of co-operation among various boards. I think a direct application of the finest minds we can gather together upon the problems of the Atlantic region will be conducive to a betterment of our whole national economy.

(Translation):

Mr. Dumont: Mr. Chairman, the member who spoke before me said a few words about agriculture. I would like to add my own comments, tonight, because I do not think it is necessary to have an Atlantic development board, when, statistics in hand, we know that, at the present time, in Prince Edward Island, out of 12,000 farmers, 2,460 have an income lower than $1,200 a year; that in New Brunswick, out of 22,000 farmers, 13,000 do not make $1,200 annually; that in Nova Scotia, out of 21,000, 13,000 have an income of less than $1,200; that in Newfoundland, out of 2,387, 1,857 do not get an income of $1,200.

To solve the agriculture problem in eastern Canada, as I suggested at the beginning of the twenty fifth parliament, we have only to build grain elevators, reduce the price of feed grain, to enable the eastern farmers to get products at a better price. It is not necessary to spend more in order to secure votes at the next election. Eastern farmers want lower priced feed grain. They want to sell the products they have on hand.

Let us give the Canadian consumers, those who have children, like our Quebec people, the power to purchase the commodities produced in their own province.

Let us double the family allowances. Let us vote a larger grant to the sports council in order to train young people who, in their spare time, will develop and become strong enough to come here and claim their rights. Let us stop establishing boards which will bring no benefit to the people of this country.

(Text):

Mr. Flemming (Victoria-Carleton): Mr. Chairman, the remarks that have been made by various speakers since the committee resumed at eight o'clock are deserving of a great deal of attention and should be treated with the greatest respect. I have been impressed with some of the speeches that have been made, and at this particular moment I would like to address myself to the points raised by the hon. gentleman from Essex East, because he asked some point blank questions and requested specific replies.

It is not always possible to give specific and categorical replies to all questions, and I would like to suggest to him that he should read subclause (1) of clause 9 and read the objectives of the board as set forth in that subclause. He will find that the objects of the board are:

> —to inquire into and report to the minister upon measures and projects for fostering economic growth and development of the Atlantic region of Canada, and, without further limiting the generality of the foregoing, the board may, in furtherance of its objects—

And then it goes on to be somewhat specific. I would like to direct the attention of the hon. member to subclause (1) in its context and by itself, and to consider that it points out the primary duty of the board.

The board has a variety of functions and will deal with a variety of geographical areas to which it must give attention. There will be a variety of questions coming before it, some of which have been mentioned by speakers both tonight and on previous occasions in this debate. These will all have a place in the functions of the board, but I put forward subsection (1) of this clause as being the part of the clause which should be emphasized. In that connection I suggest to the hon. gentleman that the points which he has raised

are of secondary significance and not of primary significance so far as the bill is concerned.

The hon. gentleman has brought up the question of co-operation between other boards, and it would seem to me it is difficult to spell out in detail and in precise terms just what that co-operation will consist of in this case. It is difficult even to explain what one may have in mind because we may differ in our concepts of the detailed way in which this board will function. To the extent of my limited experience in the commercial world of this country, I found that the most important thing in the conduct of a business was management, proper management and management by people with ability. In that connection I found that you did not gain by trying to determine in advance how you should meet every situation. If you did, you might as well have a clerk as a manager. So I suggest to my hon. friend that co-operation with other boards should be the secondary function of this board. The primary function should be to do the very things set forth in clause 9, subclause 1. Perhaps I may read it again:

> The objects of the board are to inquire into and report to the minister upon measures and projects for fostering the economic growth and development of the Atlantic region of Canada—

That is the mast on which I would nail this particular flag, so far as the board's primary duty is concerned. I do not think we should allow this board to become impotent, because it might very well be rendered so by putting some kind of a rope around its neck and saying to it, "You must co-operate here. You must co-operate there. Here is another area in which you must co-operate". I think we have to give the board freedom of action with the idea in mind that this is for the good of the country in general. Mr. Chairman, I am sure we will all, as Canadians, face the fact, that a prosperous and favourable economic climate in Canada—and when I say Canada, I mean all of Canada—is just as important, and perhaps more important, to the Atlantic provinces as it is to any other part of this country. So I do not see any conflict here. In fact, quite the opposite; I think there will be definite co-operation. I think the emphasis must be on the Atlantic provinces. That will be the duty of the board. But I see no particular difficulty about co-operation with other boards which will be before this house for legislative enactment in the very near future.

Mr. Chairman, I would like at this stage to associate myself with the remarks made by my hon. friend for Queens in connection with a suggestion made by the hon. gentleman from Vancouver Centre. I see great merit in his suggestion. I see no reason why it should not be adopted. I have no reason to think that it will not be adopted. I think it is a constructive idea. Various other points have been raised, Mr. Chairman, and I made a note of them. I believe I have dealt with them, although I do not know that I have dealt with the points raised by the hon. gentleman from Essex East to his satisfaction. I have dealt with them to my own satisfaction inasmuch as my own conception of the board is concerned; that is, its primary duty, its secondary duty and the fact that under subclause (d) you find that they even consider matters, not projects but matters, that may be usefully considered. Perhaps I may refer to the subclause:

> —consider and report to the minister upon any other matters that in the opinion of the board may usefully be considered—

I consider that could be a variety of things. That can certainly cover the subject mentioned by my hon. friend from Saint John-Albert. It could almost cover the waterfront, so far as that is concerned. In connection with the development of the area with regard to which this board will have a good deal of responsibility, I am quite satisfied that they have the greatest degree of flexibility under this bill. I do not want to get into a discussion about what we started to do in this country 100 years ago, and the fact that we started to work against geography in our concept of building a nation. We were going to have the trade flow east and west instead of north and south because the final concept was that we were going to build a nation. In my opinion the fathers of confederation had no conception of how great this country was destined to be. I believe we have made tremendous progress as a country. The trade must flow east and west to the extent that we can work toward that end in a proper manner and without any great injustice to any part of this great country and the fringe areas. In particular the eastern fringe areas may perhaps be considered by some of us as operating under something of an economic handicap. But I still submit that the advantages we have seen from association with the rest of Canada have been tremendous, and I for one do not regret that almost 100 years ago in 1867 they decided to embark upon this great venture against geography, and build a great nation with the trade flowing east and west.

This is a measure the government have submitted to parliament as their idea of a concrete step that might be taken to contribute to the development of that portion of this great country known as the Atlantic provinces. Every speaker has admitted that the bill is not perfect, and very few bills

are perfect. It would be too bad if it were perfect, because our hon. friends would not have anything to find fault with and they would not be able to carry out their function as the official opposition. In that event I do not know what would happen to the hon. member for Essex East. He would not be able to rise with that eloquence for which he is famous and really sweep us off our feet from time to time, as he does, unless there was something he thought lacking in the legislation before the house.

Mr. Chairman, that is all I have to say at this stage. I believe that all the objections and misgivings that have been raised have been dealt with. With regard to the points made by my hon. friend from Queens, the committee may be sure that since the constituency I have the honour to represent is probably the best agricultural constituency in Canada, those points will certainly not be ignored so far as any influence that I may have is concerned. The points raised by all hon. members who have spoken will receive the greatest degree of consideration, and the misgivings expressed, particularly by my hon. friend from Essex East, I am sure will not be serious to the operation of the statute.

Mr. Pearson: Mr. Chairman, I do not wish to detain the committee for more than a moment, especially in view of the last statement of the minister and the spirit in which it was made. We all on this side agree about the objective of this bill within the context of not only regional but national development. But the minister will agree with us that there cannot be satisfactory regional development in Canada unless there is adequate national development. Therefore we are most anxious—and this is one of the sources of our worry about this bill—that a bill of this character setting up a regional development board will not be obstructed or limited in its operation in any way by a national development board which has the same kind of duty and the same kind of function on a national scale.

The minister says that each board must be given freedom of action, and of course that is correct up to a point. He also said it would be unwise, if I understood him correctly, to so restrict the operation of this particular board that it would have a rope around its neck, and of course that is correct. But when the minister says we do not have to worry about the danger of non co-operation between boards which have similar functions in different areas; when he says, I think these were his words, that co-operation of this kind is not of primary significance, I think he underestimates the importance of this question.

[Mr. Flemming (Victoria-Carleton).]

I recall very well the occasion a few years ago when we were debating in this house the establishment of the board of broadcast governors as part of the reorganization of the broadcasting system in this country. Some of us at that time pointed out the danger of conflict between the two important bodies which had been established in this field. But we were told at that time there was no need to worry about it. It is true the arguments used, though very much along the lines the minister has used tonight, were probably not advanced with the same skill and dexterity; they did not have the soothing quality which belongs to the Minister of National Revenue. However, we said then that the board of broadcast governors would undoubtedly come into conflict with the C.B.C. if steps were not taken at that time to avoid the possibility of such a conflict. Of course, events have proved we were right.

We are worried now about the same thing happening in this field. Our fears are increased because the Minister of Finance, speaking on another subject, the setting up of the national development board, said—and I have his words here: "The national development board will investigate, analyse and report on the medium and long term prospects and possibilities of particular areas." The maritime provinces certainly constitute a particular area. Those are special terms of reference and special functions for this very important board, and therefore it is of first significance to do everything possible to avoid overlapping, to avoid one board getting in the way of another. Surely, this is something which cannot be left to a general feeling that the boards will work out their own processes of co-operation as they go along. It is, I think, regrettable that some provision has not been made to ensure that serious overlapping will not take place. A certain amount of overlapping is inevitable. A certain amount, perhaps, may even be good. But when overlapping results in confusion, confusion will probably result in conflict. Therefore I think it is of first importance that provision should be made in some way—I know it cannot now be made under the terms of the legislation itself—

Mr. Horner (Acadia): Tommyrot.

Mr. Pearson: That is an interesting comment from the hon. gentleman. It is the kind of observation we have been led to expect from him. But, as I was saying, it is of first importance—

An hon. Member: Let us get on with it.

The Deputy Chairman: Order. I would ask members of the committee to give the Leader of the Opposition the opportunity to complete his remarks on clause 9 of the bill.

Mr. Pearson: So it is of first importance that the government should take all possible steps that can be taken to ensure, as far as government can ensure, that this overlapping, confusion and conflict do not take place.

We hope the minister is right in his optimistic feeling that this will not happen, but we think it is our duty to warn him that it might well happen within the terms of this legislation.

Clause agreed to.

On clause 10—*Meetings.*

Mr. Crestohl: Clause 10 speaks of the times and places at which meetings should be held. This, to me, is simply a matter of bylaws and routine regulations. I should like to ask the minister whether these provisions should not fall within clause 12. If the hon. gentleman will be good enough to look at clause 12 he will see it refers to bylaws. Why cannot what it now contained in clause 10 be dealt with in clause 12?

Mr. Flemming (Victoria-Carleton): The justifications for this clause is that there are various reasons which make it most desirable that there should be at least one meeting held in Ottawa. It was felt that in the interest of the most efficient discharge of the board's duties there should be the one meeting here.

This point was raised some time ago by another hon. member in connection with meetings of the board to be held at various places and at various times. It was felt, of course, that the board should have freedom to meet at various places in the Atlantic provinces. It might, for example, wish to hold one meeting in Newfoundland, another in Nova Scotia, and so on. But one meeting must be held in Ottawa itself.

Mr. Crestohl: But why cannot the bylaws made under clause 12 provide precisely for what the minister has just set forth?

Mr. Flemming (Victoria-Carleton): I think I would have to answer in this way. While this is an Atlantic development board, we are still justified, I am sure, in looking on it as a federal board. Its funds will come from the federal government and, we hope, its financial resources will also come from the federal government. It is a federal board in spite of the fact that it is an Atlantic development board. I see no inconsistency about that.

Mr. Crestohl: Clause 12 gives the board the power to make its bylaws. Can the minister say if it would be precluded from setting up time and places of meetings so as to include one meeting at least in Ottawa. Would the board have jurisdiction to do that under the bylaws?

Mr. Flemming (Victoria-Carleton): I am sure that the hon. member has more knowledge of company law than I have. I see no reason why it could not be done in the way suggested, but it has not been done in that way. However, I see no reason why it should be condemned because we have not done it in that way.

Mr. Macquarrie: I am in support of clause 10 as it stands. History has been invoked tonight. I might point out to the minister that Charlottetown was the scene of an important conference at which maritime union was discussed. This led to an important and wonderful event, the confederation of the British North American colonies, and I should like to take the opportunity of suggesting that the first meeting of this board should take place in the historic city where it all began.

Mr. Pugh: With reference to the suggestion made by the hon. member for Cartier, that the provision in clause 10 might be contained in clause 12, dealing with bylaws, I should like to point out that bylaws may be changed from time to time—

The Deputy Chairman: Order. The hon. member cannot speak about clause 12 because clause 10 has not been carried.

Mr. Pugh: With respect to the suggestion that clause 10 was not necessary because its substance could be included in clause 12, I am only pointing out that this is a specific instruction which is put into the bill that at least one meeting of the board each year must be held in Ottawa. It is all right to put that in the bylaws, but I would point out that the bylaws are subject to change by the board as they see fit.

Clause agreed to.

Clause 11 agreed to.

On clause 12—*Bylaws.*

Mr. Crestohl: Mr. Chairman, under this clause the board is given the latitude to make bylaws for the regulation of its proceedings "and generally for the conduct of its activities". I think that the words "and generally" contained in that phrase in the clause could be confusing. We have had debates in this house in the past in which I think the Prime Minister, at one time, said that we ought to review our statutes to see to what extent authority is given to various boards to make their own bylaws. Frequently when making their own bylaws boards have allowed themselves rather unusual latitude. In some cases

boards have been established and made bylaws which provided that there shall be no appeal from their decisions, that their decisions could not be taken before the courts, for example, by way of a writ of prohibition. Probably their bylaws carry them a little too far. I was wondering just how far this rather innocuous statement can take this board, when we give it power to make bylaws generally for the conduct of its activities. If it was intended that the board may make bylaws for the regulation of its proceedings, then that is sufficient and would be acceptable to me. But to go beyond giving it the authority to make bylaws for the regulation of its proceedings is, I think, going far beyond what parliament intends a board to do.

Therefore, Mr. Chairman, I ask the minister to give some explanation to this committee of what is intended by the words "and generally make bylaws for the conduct of its activities".

Mr. Flemming (Victoria-Carleton): Mr. Chairman, in answer to the hon. gentleman, I am sure he is familiar with the general process of making bylaws in companies. Bylaws can run to 25 or 30 in number, even from my limited knowledge of company law, so as to regulate the activities of a company, its staff, and other matters. I cannot see any other way of doing it except in a general way, as this language indicates, namely, to say "for the conduct of its activities, including the establishment of advisory and other committees—". I think that later on, when the duties are set forth in a little more detail, the need for specific bylaws will become even more apparent. I do not know how helpful I have been, but I have tried to be as helpful as possible.

Some hon. Members: Carried.

Mr. Crestohl: Mr. Chairman, I do not want to delay this matter—

Some hon. Members: Oh, oh.

Mr. Crestohl: Mr. Chairman, if hon. members think it is humorous, let them laugh. That is about the only thing they have done since parliament opened. May I point out that although amending this clause may delay matters somewhat, I would invite the minister's attention to the fact that if, after the word "proceedings," the clause had continued "including the establishment of advisory and other committees" established by the board, the clause would indicate very clearly that the board may establish bylaws for the regulation of its activities, just as the clause now reads, as well as for the regulation of committees of the board which may be established. But I would eliminate what I call an innocuous expression, namely "and generally for the conduct of its activities". All that the minister wants the clause to do is to give the board latitude to adopt bylaws for the regulation of its proceedings. That is what I think the committee would gladly grant, but not anything further than what is defined.

Mr. McCleave: Mr. Chairman, while we were not able to take down the amendment suggested by the hon. member, it seemed to us to have a defect in that it would not comprehend bylaws with regard to staff matters. That was one of the reasons, as the minister has explained, why this clause was phrased in just such a way. There will not only be a board and subcommittees, but there will also be the responsibility on the board and its executive director to hire staff, and to make pension arrangements, salary arrangements, and what-not with them. All these matters are covered under the provision relating to bylaws, but under the proposal of my hon. friend from Cartier they would not be covered. That is why we adopted this language in the bill.

Clause agreed to.

Clause 13 agreed to.

On clause 14—*Technical and special advisors.*

Mr. MacInnis: Mr. Chairman, this is the last clause of the bill with which we are going to deal, and I want to make a very few brief points with regard to it, and at least attempt to obtain some clarification from the minister. This is the key section of the bill. It provides that:

> The board may engage on a temporary basis or for any period of not more than two years—

And so on. At first glance it seems that this is another of those ridiculous provisions, similar to the $3,000 honorarium originally suggested for the chairman. The minister has already made it clear, as the other clauses of the bill indicate, that the primary responsibility and the principal activities of the board and its staff will be directed into the fields of study, research, investigation, and what-have-you. This would seem to indicate that it would be essential to obtain the services of technical experts, economists, statisticians and sociologists. The government has already made a great deal of the permanent staff which will be available in the form of the executive director and other employees of the board. We suggest that it would be very difficult, if not completely impossible, to attract, for example, an economist from a university, where he would have pension provision, summer holidays, and the like, and

to ask him to take on an assignment which offers him no security whatsoever and no long term engagement.

Therefore we suggest an amendment which I think is not very controversial but which will provide for this problem. I therefore move:

That clause 14 be amended by adding after the words "on a temporary" in the first line thereof the words "or permanent" and deleting the words "or for any period of not more than two years" in the second line thereof, so that the clause as amended will read:

"14. The board may engage on a temporary or permanent basis the services of persons having technical or specialized knowledge of any matter relating to the work of the board, to advise and assist the board in the performance of its duties under this act, and with the approval of the treasury board may fix and pay the remuneration of such persons."

I suggest that the minister has been asking for objective suggestions. If this amendment does not fit into that category, then I do not know what type of suggestion he is looking for. I am sure all hon. members who are sincerely interested in this board's being able to do something useful would want to provide it with the opportunity to attract qualified people on a full time basis.

Mr. Flemming (Victoria-Carleton): In making some observations in reply to the hon. gentleman I might say that a good deal of discussion took place before this section was phrased and that what is contemplated here is the matter of consulting firms who might be employed on a temporary basis to make a report on certain things. For instance, I could make a report on the particular merit of, we will say, Cape Breton coal for a certain purpose. These consultants might have specialized knowledge and they might make a specialized examination. It is contemplated that clause 13 will cover the staff. Clause 14 covers the specialized examinations which it is envisaged might be necessary for the success of the board, and provides that for these examinations they might have authority to engage the services of consultants.

Mr. MacInnis: If this is what the minister and those who drafted the bill meant, why did they not say so? If they covered staff and persons in clause 13, why did they not say "services of organizations and consulting firms"? It seems to me that there is a loophole in the provision. I do not think the amendment is going to interfere in any way with the intent of the minister with regard to organizations or consulting firms. He does not mention anywhere in clause 13 technically qualified persons such as economists and so on.

The Deputy Chairman: Is the committee ready for the question?

Some hon. Members: Question.

Amendment (Mr. MacInnis) negatived: Yeas, 53; nays, 65.

The Deputy Chairman: I declare the amendment lost. Shall clause 14 carry?

Clause agreed to.

Clauses 15 to 19 inclusive agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall the said bill be read a third time? By leave, now?

Some hon. Members: Now.

Mr. Pickersgill: Next sitting of the house.

Some hon. Members: Oh, oh.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Mr. Speaker, may I ask the house leader if he can let us know what the government intends to prescribe for tomorrow, and if he will give any further information he feels he can now impart. I realize that certain consultations are going on and that he may not wish to go beyond tomorrow.

Mr. Churchill: In view of the consultations which will be going on in the various parties tomorrow and the discussions and the consultations following that among the various house leaders, I think I shall announce for tomorrow only the third reading of this bill, which I think will be satisfactory, followed by interim supply.

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

HOUSE OF COMMONS

Wednesday, December 12, 1962

The house met at 2.30 p.m.

CANADA COUNCIL

REFERENCE OF REPORTS TO PUBLIC ACCOUNTS COMMITTEE

Right Hon. J. G. Diefenbaker (Prime Minister) moved:

That the reports of the Canada council for the fiscal years ended March 31, 1961 and March 31, 1962, laid before the house on July 1, 1961 and October 10, 1962 respectively, be referred to the standing committee on public accounts in order to provide for a review thereof pursuant to section 23 of the Canada Council Act.

Motion agreed to.

PUBLIC ACCOUNTS

REFERENCE OF PUBLIC ACCOUNTS AND AUDITOR GENERAL'S REPORT TO COMMITTEE

Hon. George C. Nowlan (Minister of Finance) moved:

That the public accounts, volumes I, II, and III, and the report of the auditor general for the fiscal year ended March 31, 1961, and the financial statements of the Canada council for the fiscal years ended March 31, 1961 and 1962, and the reports of the auditor general thereon, be referred to the standing committee on public accounts.

Mr. Speaker: May I indicate, in order for *Votes and Proceedings* to be proper, that these motions were made at this stage by consent.

Motion agreed to.

NATIONAL HOUSING ACT

EXTENSION OF PERIOD FOR CONSTRUCTION OF SEWAGE TREATMENT PROJECTS

Hon. E. D. Fulton (Minister of Public Works) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the National Housing Act, 1954 to extend for an additional two years the period within which the construction of a sewage treatment project in respect of which a loan has been or is to be made must be completed if the municipality or municipal corporation is to be granted a reduction of indebtedness.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CAPE BRETON NATIONAL PARK—WINTER WORKS PROGRAM

Question No. 846—**Mr. MacEachen:**

1. Has the government decided to undertake a winter works program in the Cape Breton Highlands national park and, if so, when is the program to begin?

2. How many additional employees will be required?

3. What additional sum of money will be spent, and what particular projects will be involved?

Mr. Dinsdale: 1. Yes. The program will be under way this month.

2. 361 man-months (est.)

3. Approximately $165,000, on the construction of a fire equipment building and a paint and carpenter shop at Ingonish compound; continuation of campground developments at Broad Cove and Cheticamp, construction of a warden service garage and storage building at Pleasant Bay, and roadside clean up along the Cabot trail.

ECCLES DIVORCE CASE—REPORT ON EVIDENCE

Question No. 895—**Mr. Howard:**

Since April 1, 1961, has any report been received as a result of the investigation into the nature of the evidence given to the miscellaneous private bills committee at the time the committee heard the so-called Eccles divorce case and, if so, what are the details of that report and the action taken or contemplated?

Mr. Bell (Saint John-Albert): Yes, a report was received following an investigation by the Royal Canadian Mounted Police. Police reports are confidential and it would not be in the public interest to disclose them. No further action is contemplated.

EARNINGS OF C.B.C. EMPLOYEES AND ARTISTS

Question No. 901—**Mr. Marcoux:**

1. How many employees of the C.B.C. have yearly earnings of (a) $35,000 or over (b) between $20,000 and $25,000 (c) between $15,000 and $20,000?

2. How many artists working for the corporation earn less than $1,400?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation as follows:

1. The number of employees with yearly salaries of: (a) Nil. (b) Nil. (c) 18.

Questions

2. In 1961 there were 17,688 artists who received from the corporation less than $1,400 for occasional or part time employment during the year.

*MEETINGS ON CHINESE IMMIGRATION, LORD ELGIN HOTEL, OTTAWA

Question No. 953—**Mr. Howard:**

1. Were the "meetings" and "discussions" "of a general nature" which took place in the Lord Elgin hotel in February of 1960, in connection with the alleged illegal entry to Canada of people of Chinese origin to which some employees of the Department of Citizenship and Immigration were "invited", and at which Mr. J. K. Abbott was present, held and conducted with the approval of the then minister of citizenship and immigration and, if not, when did these "meetings" and "discussions" come to her attention, what action was taken as a result thereof, and by whom was this action taken?

2. With respect to the said "invitation" (a) who tendered it (b) how many employees of the department were so "invited" and, of these, how many were (i) male (ii) female (c) what are the names and positions of the employees so "invited" (d) what form did it take, was any element of authority attached to it and, if so, what degree (e) did any of the employees object to so attending the "meetings" and, if so, how many, and what form did the objections take?

Mr. Bell (Carleton): The answer to this question covers approximately a full page and perhaps it might be printed in *Hansard* without being read.

Mr. Speaker: Is it agreeable that this be taken as read and that it should appear in *Hansard* in the ordinary course?

Some hon. Members: Agreed.

[*Editor's note: The answer referred to above is as follows:*]

1 and 2. Discussions held between departmental officers relating to the official business of the department do not require specific ministerial approval in advance, and in the meetings referred to, no specific ministerial approval was sought or obtained. Two senior employees of the department with special knowledge of the problems involved in handling Chinese applications for citizenship and immigration were invited to participate in the discussions with the director of inspection services and the R.C.M.P. The employees were selected and invited by the director of inspection services for the purpose of explaining the procedures followed and the problems encountered in processing Chinese applications for immigration through the Hong Kong office and Chinese applications for citizenship through citizenship courts and offices in Canada. The officers selected were (1) a former superintendent of Canadian immigration in Hong Kong who had recently returned to headquarters; (2) the then deputy registrar of Canadian citizenship. Arrangements made were entirely informal and by mutual consent and no objection of any kind was raised by any of the participants.

The decision to discontinue arrangements for further meetings was taken by mutual agreement after discussions between the then deputy minister and the director of inspection services, following reports which came to the minister's attention that such meetings were being held.

The foregoing reply is based on the recollection of the then minister, the then deputy minister, the director of inspection services, and the participants concerned, since the written records of the department contain no information bearing on the questions raised.

CANADIAN GROSS NATIONAL PRODUCT

Question No. 968—**Mr. Laing:**

1. In each year since 1950, what has been the gross national product of Canada?

2. In each such year, what percentage of increase is accounted for by (a) real volume output (b) wage-price inflation?

Mr. Nesbitt: 1 and 2 (a) and (b)*.

	Gross National Product (millions of dollars)	Percentage Change From Preceding Year: Gross National Expenditure Current Dollars (millions of dollars)	Gross National Expenditure Constant 1957 Dollars (millions of dollars)	Implicit Price Index Gross National Expenditure
1949	16,343			
1950	18,006	+10.2	+6.9	+ 3.0
1951	21,170	+17.6	+6.1	+10.8
1952	23,995	+13.3	+8.1	+ 4.9
1953	25,020	+ 4.3	+3.8	+ 0.4
1954	24,871	− 0.6	−2.9	+ 2.4
1955	27,132	+ 9.1	+8.6	+ 0.4
1956	30,585	+12.7	+8.6	+ 3.9
1957	31,909	+ 4.3	+1.3	+ 3.0
1958	32,894	+ 3.1	+1.2	+ 1.9
1959	34,784	+ 5.7	+3.1	+ 2.6
1960	35,928	+ 3.3	+1.9	+ 1.4
1961	36,844	+ 2.5	+1.8	+ 0.7

*No information is available on wage-price inflation. The final column in the above table indicates that portion of the increase in the gross national product which is attributable to price changes arising from a variety of causes.

RADIO STATIONS UNDER SECTION 14(1) OF ACT

Question No. 1,009—**Mr. Marcoux:**

Are there any radio or television stations operating within the provisions of section 14(1) of the Broadcasting Act and, if so, (a) which stations (b) at what date were enabling orders in council passed and (c) does the government intend to repeal section 14(2) of the Broadcasting Act?

Mr. Halpenny: There are 5 television stations, 2 radio AM stations and 2 radio FM stations whose ownership status does not meet the requirements of section 14(1) of the Broadcasting Act.

(a) These stations are:

Television: CFCF-TV, Montreal; CFCM-TV, Quebec; CKMI-TV, Quebec; CKLW-TV, Windsor; CKCO-TV, Kitchener.

Radio (AM): CKLW, Windsor; CFCF, Montreal.

Radio (FM): CKLW-FM, Windsor; CFCF-FM, Montreal.

(b) (i) 18 August, 1959; (ii) 16 February, 1961.

(c) When a decision is taken in this regard the house will be advised.

SEAWAY AUTHORITY—PURCHASE OF SUPPLIES AT HEADQUARTERS

Question No. 1,019—**Mr. Lamoureux:**

1. What was the total amount spent for the purchase of stores and equipment by the St. Lawrence seaway authority through its Cornwall headquarters during the years 1960 and 1961?

2. What was the total amount spent by the St. Lawrence seaway authority for purchases from Cornwall suppliers during the years 1960 and 1961?

3. In its purchases of stores and equipment made through Cornwall headquarters, does the St. Lawrence seaway authority give preference, when prices are competitive, to Cornwall suppliers?

Mr. McBain: The St. Lawrence seaway authority advises as follows: 1. In 1960, $850,940.96; in 1961, $1,218,902.26.

2. From Cornwall suppliers in 1960, $46,316.46; from Cornwall suppliers in 1961, $88,308.18.

3. Only with respect to requirements for the Cornwall area.

MACKENZIE HIGHWAY—FREIGHT CARRIED

Question No. 1,051—**Mrs. Hardie:**

1. What was the (a) tonnage and (b) value, of freight carried on the Mackenzie highway for the years 1959, 1960, 1961?

2. What was the (a) tonnage (b) value, of fish trucked over the same highway in the years 1959, 1960, 1961?

Mr. Dinsdale: 1 and 2. The available statistical data do not include the information requested.

*TELEVISION RECEPTION, GASPE REGION, QUE.

Question No. 1,057—**Mr. Marcoux:**

1. Has the secretary of state department or the board of broadcast governors received any complaints about the reception or non-reception of television broadcasts in certain regions of the Gaspe peninsula?

2. Has the secretary of state department or the board of broadcast governors received any complaints about the quality of reception of the broadcasts of the Matane TV station (CKBL-TV) in the Matapedia valley since the installation of the antenna on mount Logan and the installation of a satellite on mount Climont?

Questions

3. Are any steps being taken to ensure adequate television reception in the regions of the Gaspe peninsula and, if so, what is the nature of such steps?

Mr. Halpenny: 1. Yes.

2. Yes. The station at mount Climont has just recently started operations and the B.B.G. has not yet been advised that it is operating at full efficiency.

3. As the first step in extending and improving television service in the Gaspe peninsula the board has recommended the licensing of five additional rebroadcasting stations at the following locations: Chandler, Port Daniel, Perce, Gaspe and Gaspe west. The extension of service to the villages on the north shore of the Gaspe has been initiated by the recommendation for the licensing of a rebroadcasting station at Murdochville.

(Translation):

SAINT JEAN DE LA LANDE—INQUIRY INTO PLANE CRASH

Question No. 1,064—**Mr. Legare:**

1. Has the Department of Transport investigated the circumstances surrounding the plane crash which occurred at Saint Jean de la Lande around November 25, 1962?

2. What were the circumstances surrounding the accident, what were the causes, what were the consequences, and what were the conclusions of the department?

Mr. McBain: 1 and 2. Yes, but the report of the investigators is not yet completed. The airplane, a Cessna 172, property of Eastern Airways Limited, crashed around 9.15 a.m. during a flight between St. Georges de Beauce and La Guadeloupe, in the province of Quebec. The pilot, Mr. Jacquelin Vachon, of La Guadeloupe, and his passenger, Mr. Gaston Halley, of St. Honore de Chenley, were both killed and the airplane was destroyed. It is not possible to give information on the cause of the accident or on the conclusions drawn from the investigation as long as the report is not completed.

(Text):

COLUMBIA RIVER POWER—SAFETY OF ARROW LAKES DAM

Question No. 1,068—**Mr. Davis:**

Has the Minister of Northern Affairs and National Resources recently received any engineering or other information which questions the safety of one of the Columbia river treaty projects, namely the high dam on the Arrow lakes in Canada?

Mr. Dinsdale: My attention has been drawn to a letter to the editor of the Nelson *Daily News* which appears in the October 24, 1962, issue of that paper, and which raises this question.

[Mr. Marcoux.]

Competent engineers have advised that a dam of the proposed height can be built quite safely at the suggested site; see, for example, the testimony of Dr. H. Q. Golder before the British Columbia comptroller of water rights at Castlegar, October 3, 1961, which reads in part:

Finally, I would just like to say that this dam is possible at this site because the head is not very large, only 78 feet; although we call it High Arrow dam, it is not really a high dam. Second, the loss by seepage is not important and we can control the amount of seepage. Third, very good materials are available for building the dam, and the materials in the foundation are excellent as foundation materials.

Therefore, Mr. Comptroller, I have no hesitation in saying that a dam of this height can be built quite safely at this site.

The more recent subsurface investigations at the site of the High Arrow dam have confirmed Dr. Golder's conclusions.

(Translation):

*C.N.R.—FRENCH CANADIANS OCCUPYING SENIOR POSITIONS

Question No. 1,082—**Mr. Gregoire:**

Are there any French Canadians among the 28 officers of the C.N.R.?

Mr. Balcer: Mr. Speaker, I am informed by the C.N.R. as follows:

Information given to the sessional committee on railways, airlines and shipping in connection with this question, showed that French Canadians hold high offices in the C.N.R.

C.N.R.—CONSIDERATION OF FRENCH CANADIANS FOR SENIOR POSITIONS

Question No. 1,083—**Mr. Gregoire:**

Has any consideration ever been given to the appointment of French Canadians among the 28 officers of the Canadian National Railways and, if so (a) when (b) who was considered for such appointment (c) what was the substance of the decision made in each case?

Mr. McBain: The C.N.R. authorities have given us the following information:

Information given to the sessional committee on railways, airlines and shipping, in connection with this question, showed that French Canadians hold high offices in the C.N.R.

(Text):

*SPECIAL LIVING ALLOWANCE, R.C.M.P., NFLD.

Question No. 1,088—**Mr. Batten:**

1. Is there a special living allowance paid to members of the Royal Canadian Mounted Police stationed in certain areas in Newfoundland and, if so, what are the names of these areas?

2. What was the amount of this allowance on January 1, 1962?

3. Has there been any reduction in this allowance since January 1, 1962 and, if so (a) how much was the reduction (b) at what date was the reduction effective?

4. Are any further reductions in this allowance contemplated?

Mr. Bell (Saint John-Albert): Mr. Speaker, this answer is about one page in length. With permission, it could be printed in *Hansard.*

Mr. Speaker: One foolscap page of typescript? Is it agreed?

Some hon. Members: Agreed.

Mr. Speaker: Therefore it will be taken as read.

[*Editor's note: The answer referred to above is as follows:*]

1. Yes.

(a) Special Newfoundland allowance payable at St. John's, Grand Falls and Cornerbrook.

(b) Isolation allowance payable at—

Baie Verte, Bell Island, Bonavista, Boone Bay, Botwood, Buchans, Burgeo, Burin, Channel, Clarenville, Deer Lake, Ferryland, Fogo, Gander, Gloverton, Grand Bank, Hampden, Harbour Breton, Harbour Grace, Lewisporte, Placentia, Port Saunders, Springdale, St. Anthony, Stephenville, Stephenville Crossing, St. George's, St. Lawrence, Twillingate, Whitbourne.

(c) Northern cash allowance payable at—

Cartwright, West St. Modeste, Battle Harbour, Hopedale, Goose Bay, Nain, Labrador City, Twin Falls.

2. The amount of these allowances on January 1, 1962 was:

(a) special Newfoundland allowance—

When rations and quarters are not provided: (i) If accompanied by dependants, $55 per month; (ii) If unaccompanied or single, $43 per month.

When rations or quarters are provided: (i) If accompanied by dependants, $30 per month; (ii) If unaccompanied or single, $30 per month.

(b) The isolation allowance is $45 for a married or single member.

(c) Northern cash allowance: Married, $90 per month; Single, $60 per month.

3. Yes—in the special Newfoundland allowance only.

(a) When rations and quarters are not provided: (i) If accompanied by dependants, reduced by $25 per month; (ii) If unaccompanied or single, reduced by $20 per month.

Questions

When rations and quarters are provided: (i) If accompanied by dependants, reduced by $14 per month; (ii) If unaccompanied or single, reduced by $14 per month.

(b) The reduction in the special Newfoundland allowance was effective August 1, 1962.

4. Not at the present time.

COMBINES—INQUIRIES, CHARGES AND CONVICTIONS

Question No. 1,090—**Mr. Matheson:**

1. How many applications to the director, for inquiries under the provisions of section 7 of the Combines Investigation Act, have been received, by years, since August 10, 1960?

2. How many charges have been laid under the provisions of part V of chapter 45 8-9 Elizabeth II, by years, since August 10, 1960?

3. How many convictions have been registered under the sadi provisions of Part V of chapter 45 8-9 Elizabeth II by years, since August 10, 1960?

4. How many convictions were registered under the provisions of sections 411 and 412 of the Criminal Code, by years, since 1955?

Mr. Bell (Saint John-Albert): 1. 1960, 1; 1961, 0; 1962, 2.

2.* 1960, 1 (1); 1961, 3 (3); 1962, 7 (9).

3.** 1960, 0; 1961, 0; 1962, 6 (7).

4.** 1955, 3 (47)***; 1956, 2 (14); 1957, 3 (45); 1958, 2 (28); 1959, 1 (5); 1960, 2 (19)****; 1961, 1 (3); 1962, 0.

* The number of charges is shown by cases while the number of separate indictments or informations or persons charged in these cases is shown in brackets.

** The number of convictions is shown by cases while the number of individual convictions registered in these cases is shown in brackets.

*** On appeal in one case 26 accused included in the bracketed figure were acquitted.

**** The bracketed figure includes one accused whose trial and conviction occurred in 1961.

Note: The reply to part 4 of the question includes convictions under section 498 of the Criminal Code, the predecessor of section 411.

NET FARM INCOME

Question No. 1,094—**Mr. Matheson:**

What is the average net realized income of Canadian farm operators from farming operations, in constant dollars, for each year commencing 1956, using the index of prices of commodities and services used by farmers, including farm living costs, for converting the net income figures to constant dollars?

Questions

Mr. Jorgenson:

	Realized farm net income	Price index numbers of commodities & services used by farmers*		Realized net income adjusted by price index numbers of commodities to services used by farmers
	$000	1935-39 = 100	1956 = 100	$000
1956	1,238,093	230.3	100.0	1,238,093
1957	1,196,958	238.7	103.6	1,155,365
1958	1,402,218	242.7	105.4	1,330,378
1959	1,273,163	249.8	108.5	1,173,422
1960	1,303,065	254.8	110.6	1,178,178
1961	1,340,922	259.0	112.5	1,191,931

*Inclusive of farm living costs.

Note: Average income for farm operators has not been calculated because of the diversity in estimates of numbers of farmers and the fact that farmers receive considerable income from sources other than the farm.

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*TRADE PROGRAM "OPERATION WORLD MARKETS"

Question No. 1,106—**Mr. Macdonald (Rosedale):**

In connection with the national Canadian samples show and other activities contemplated under the program described as "Operation World Markets", has the government made provision for any procedure to determine from participants the number and quantity of orders for Canadian products attributable to that program?

Mr. Jorgenson: Yes. Approximately six months following the conclusion of this event the department will ask participants to indicate the results. This is the normal procedure. Experience of the past indicates that about half of those asked for information will provide replies outlining in a general way the degree of success achieved. Approximately one quarter of those responding will tell us, on a confidential basis, exactly what business they have done.

(Translation):

MONTREAL—SITE FOR WORLD FAIR

Question No. 1,107—**Mr. Deschatelets:**

1. Has the Associate Minister of National Defence received briefs from the Montreal east businessmen's association and the municipal council of Ville de Repentigny suggesting Maisonneuve park or some other location in Montreal east as the site of the 1967 world fair to be held in Montreal?

2. Has the attention of the minister been drawn to the fact that there is in Montreal east an 800-acre piece of land available as a site for the world fair?

3. Before a decision is taken in this connection, will public bodies, such as the businessmen's association and the municipal council of Ville de Repentigny, be consulted?

Mr. Sevigny: Mr. Speaker, the answers to this question are as follows:

1. Yes.

2. Yes.

3. Representations submitted by municipalities or by civil and civic organizations will receive the fullest consideration as far as the selection of a site for the world fair is concerned, but the final decision will be made by an independent body.

[Mr. Matheson.]

CHAMPLAIN BRIDGE, MONTREAL—REVENUE AND MAINTENANCE COST

Question No. 1,122*—Mr. Lessard (St. Henry):**

1. What is the total amount of tolls paid on the Champlain bridge and the cost of maintenance, etc., of the bridge during the last three months?

2. Does the government intend to abolish tolls on the Champlain bridge in the near future?

Mr. Balcer: 1. Operating revenue for the three months September to November, 1962, totalled $74,196 and the estimated administration, operation and maintenance cost for the same period was $94,257.

2. Any decision in this matter will be announced in the usual manner.

(Text):

INCREASED PENALTIES FOR COMBINES OFFENCES

Question No. 1,124—**Mr. Mather:**

Has the government given consideration to initiating substantial increases in the penalties for persons or firms violating the combines laws to make these regulations more effective in the protection of consumers?

Mr. Bell (Saint John-Albert): Contraventions of the combination, merger and monopoly, discriminatory and predatory pricing, discriminatory promotional allowance and resale price maintenance provisions of the Combines Investigation Act (sections 32, 33, 33A, 33B and 34) are indictable offences and penalties on conviction provided either directly or indirectly by reference to the Criminal Code are imprisonment for a term not exceeding two years or to a fine in the discretion of the court or to both. There is, therefore, no limit to the fine which may be imposed upon individuals or corporations and the latter are not subject to imprisonment.

A contravention of section 33C which prohibits misrepresentations as to the ordinary price of an article is punishable upon summary conviction and the penalty is the general penalty provided in the Criminal Code for summary conviction offences.

Consideration is therefore not being given to initiating substantial increases in the penalties for violations of the Combines Investigation Act and if any decision were made in this regard, it would be announced in the normal way.

SALARIES OF POSTMASTERS, ATLANTIC PROVINCES

Question No. 1,125—**Mr. Tucker:**

1. What is the lowest and highest rate paid per year to officials who provide postal facilities and act as postmasters and postmistresses in Newfoundland?

2. What is the lowest and highest rate paid per year to officials for similar services in the provinces of Nova Scotia, Prince Edward Island and New Brunswick?

Mr. MacLean (Queens): 1. Lowest rate, $245; Highest rate, $3,840.

2. Same as No. 1 above.

SECOND FRENCH LANGUAGE TELEVISION STATION, QUEBEC CITY

Question No. 1,134—**Mr. Perron:**

Will the board of broadcast governors shortly be in a position to render a decision concerning the licensing of a second French language television station at Quebec city?

Mr. Halpenny: I am informed that the board of broadcast governors expects to make a recommendation to the Minister of Transport concerning the licensing of a second French language television station at Quebec city following its public hearing in Ottawa which opens on January 15, 1963.

(Translation):

FLOOD CONTROL WORKS, CHAUDIERE RIVER, QUE.

Question No. 1,135—**Mr. Perron:**

Have the Quebec provincial authorities requested, during the past three years, that federal works be undertaken on the Chaudiere river to permanently ensure against flood hazard?

Mr. Fulton: The answer is no.

(Text):

*UNEMPLOYMENT INSURANCE STATISTICS

Question No. 1,139—**Mr. Deschatelets:**

1. What are the most recent statistics of the unemployment insurance commission with respect to the number of unemployed persons who have registered with the commission's offices for employment?

2. What are the most recent statistics of the unemployment insurance commission with respect to the number of unemployed persons who are now in receipt of unemployment benefits?

Orders for Returns

Mr. Hales: 1. The total number of persons registered for employment at the local offices of the unemployment insurance commission as at October 31, 1962, were 232,316 males and 105,488 females, making a total of 337,804.

2. At September 30, 1962, the latest date for which figures are available, a total of 197,799 persons were claiming unemployment insurance benefit. The number of persons actually receiving benefit is not known.

QUESTIONS PASSED AS ORDERS FOR RETURNS

*IMMIGRATION OFFICES

Question No. 1,034—**Mr. Badanai:**

How many immigration offices are there where applicants are examined and (a) what is the location of each (b) what is the number of applications on file in each?

*CORA BROWN SUBDIVISION, SEA ISLAND, VANCOUVER

Question No. 1,040—**Mr. Laing:**

1. Have veterans' applications for loans under section 65 and reference to section 64 of the Veterans Land Act been refused to residents of the Cora Brown subdivision, Sea Island?

2. What number of properties in this subdivision have already been negotiated for or expropriated, for airport extension?

3. What total payment has been made for the properties acquired?

4. Is it the intention of the Department of Veterans Affairs to acquire all the properties in the subdivision?

5. Are improvement loans being refused on the balance of the properties because no firm decision has been taken in reference to total acquisition?

*LOW RENTAL HOUSING PROJECTS

Question No. 1,050—**Mr. Rinfret:**

1. Since January 1, 1948, under agreements entered into by the federal, provincial and municipal governments, dealing with the removal of blighted areas and the construction of low-rental housing projects (a) how many such projects have been carried out in Canada (b) how many are now being carried out (c) how many such projects have been completed in each province, and what are the names under which they are known (d) how many low-rental housing projects have been completed in Canada under such agreements?

2. Concerning all such projects which have been carried out, what amounts have been paid out by the federal government for each project (a) in Toronto, (b) in Montreal?

Mr. McCleave: This is a starred question, but the answer is some five pages long. If the hon. member is agreeable it might be made an order for return, tabled herewith.

Some hon. Members: Agreed.

Mr. Speaker: Order for return.

Motions for Papers

PENSIONS TO WIDOWS AND DEPENDANTS OF SOLDIERS, POLICE AND GUARDS

Question No. 1,062—**Mr. Matheson:**

What total moneys are payable monthly to the widow and to each dependant child of personnel whose death arises through service to Her Majesty in the following cases (a) a private soldier killed by enemy action (b) an R.C.M.P. constable killed while apprehending a criminal and (c) a custodial guard killed by a convict in penitentiary?

SUBSIDIES TO VARIOUS INDUSTRIES

Question No. 1,080—**Mr. Mather:**

In the fiscal year 1961-62, what is the amount of subsidies granted to (a) the butter industry (b) the coal industry (c) the gold mining industry (d) the railway industry?

TRANS-CANADA HIGHWAY

Question No. 1,109—**Mr. Clermont:**

1. To date, what amount has been paid annually to each province of Canada, including the province of Quebec, under the Trans-Canada Highway Act?
2. To date, what other amounts, if any, are to be paid to each province, including the province of Quebec, with respect to the trans-Canada highway?
3. To date, how many miles of highway have been built in each province, including the province of Quebec?

FEDERAL WELFARE SERVICE UNITS

Question No. 1,128—**Mr. Mather:**

1. Which departments of the federal government include a welfare service unit in its organization?
2. Has consideration been given to combining such units in the interest of efficiency?

MOTIONS FOR PAPERS

CORRESPONDENCE RESPECTING OFFSHORE MINERAL RIGHTS, B.C.

Motion No. 56—**Mr. Winch:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged, between any federal cabinet minister or departmental head with any cabinet minister or departmental head of the province of British Columbia relative to matters relating to offshore mineral rights or the continental shelf of British Columbia, since January 1, 1958.

Mr. Dinsdale: Mr. Speaker, I am prepared to accept this motion subject only to the usual reservation regarding privileged or confidential documents and the concurrence of the provincial government involved.

Mr. Winch: Mr. Speaker, may I add one word in view of the importance and urgency of this matter. Would it help the minister if I were to state that I am now prepared to file, if required, a letter from the minister of mines and petroleum resources of British Columbia in which he says that he certainly has no objection to my moving a motion in the House of Commons for the production of all papers, correspondence or telegrams relative to the question of offshore rights in British Columbia, and that this appears to be the most proper form of procedure in this instance.

Mr. Speaker: Under the circumstances and subject to the reservation expressed by the minister, perhaps the minister and the hon. member could get together with respect to the letter that is in the possession of the hon. member and come to some happy agreement in this regard. Is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

UNITED NATIONS

CONGO—SUGGESTED APPLICATION OF SANCTIONS TO KATANGA

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, my question to the Prime Minister arises out of the answer he gave yesterday on the matter of the application of economic sanctions. Can the Prime Minister tell the house the policy of the government in respect of the proposal made by the United Nations secretary general to apply sanctions to Katanga, which I understand is being considered at the moment by the advisory committee on the Congo, of which Canada is a member?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in so far as the Congo situation is concerned I will answer to the extent of the information that is before me at the moment. The Leader of the Opposition did not let me know in advance, and I have not got a complete answer to the question as posed by him.

The government has indicated its support of the United Nations plan for reconciliation in the Congo. The plan provides among other things for a new federal constitution, an equitable division of Katanga's mining revenues, an amnesty for political leaders and the unification of all Congolese forces.

As the hon. gentleman has said, the secretary general is making new efforts to persuade those concerned to implement the plan, and a number of suggestions have been made to solve the question. This is one matter that is demanding, and properly so, the concentration of the United Nations with a view to finding a settlement in the Congo so that the heavy burden which the Congo operation has placed on the United Nations can be brought to an end.

So far as the particular question is concerned, I think until further discussions have taken place with the secretary general and member nations it would be better that I do not go further than I have gone at this time.

TRADE

REQUEST FOR IMPLEMENTATION OF RECOMMENDATIONS OF PRODUCTIVITY COUNCIL MISSION

On the orders of the day:

Hon. Paul Martin (Essex East): I wish to direct a question to the Minister of Labour. In view of the decline in employment by some 56,000 and the increase in unemployment by some 59,000 in the last reported period, which was shown in a release by the minister's office this morning, will the minister give the house an assurance that the suggestion made yesterday by the Canadian Labour Congress, to the effect that the unanimous recommendations of the special mission to Europe of the productivity council be implemented at once, will be adopted?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, the increase in unemployment has been in the farm sector, which the Canadian Labour Congress described very aptly yesterday as being characteristic of our seasonal unemployment.

Mr. Martin (Essex East): In view of the fact that this is an important matter, will the minister not dodge the question and answer it?

Mr. Starr: We have been talking about co-operation between labour and management for the last four years. The hon. member woke up to it only four months ago.

Mr. Speaker: Order. We are moving into debate now.

AGRICULTURE

RECEPTION OF PROPOSALS BY WESTERN FARMERS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Minister of Agriculture on his welcome return to the house. Would the minister care to comment on the reported cool reception his proposals received before farm organizations, and the further report that when he appeared before the Manitoba farmers' union he was booed?

Mr. Speaker: Order. This is asking the minister to embark on a contentious answer, and I do not think the question is quite proper in the manner in which it is phrased.

(Translation):

HOGS—REQUEST FOR RESTORATION OF PREMIUM

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I have a question for the Minister of Agriculture.

Due to the fact that Christmas presents are coming from all sides at this time of the year, can the minister tell me whether the premium on grade A hogs will be restored between now and December 20?

(Text):

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, this is a matter on which I have previously made known my opinions in the house, and when an announcement is ready it will be made in the house.

PUBLIC SERVICE

GLASSCO COMMISSION—IMPLEMENTATION OF THERIEN REPORT

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): I wish to address a question to the Prime Minister of which I gave notice this morning. Since Senator McCutcheon has been appointed to effectuate the recommendations of the Glassco report, will he also be in charge of the recommendations of the Therien report of the same Glassco commission?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in so far as Senator McCutcheon is concerned he is chairman of the committee of ministers established to look into all matters in connection with the report which will, of course, include the recommendations and suggestions of Mr. Therien.

INQUIRY AS TO SALARY INCREASES FOR CERTAIN CLASSES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Finance. Will the minister see what he can do to extend the pay increases to those civil servants in the lower brackets who were missed the other day?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I am not sure what the hon. member means by "missed." There are some who might be termed missed in the recommendations of the civil service commission, and under the act the government acts on the recommendations of the commission and can only act after those recommendations are received. In the lower categories there are some employees who have

not been dealt with, but they will be dealt with as soon as recommendations about them are received from the commission.

ROYAL CANADIAN AIR FORCE

FAILURE TO SHOOT DOWN UNMANNED U.S. PLANE

On the orders of the day:

Mr. John H. Addison (York North): I wished to direct a question to the Minister of National Defence, but in his absence I shall direct it to the Associate Minister of National Defence. My question concerns the unmanned United States tanker aircraft which was allowed to fly over the province of Quebec last Monday night, and which incidentally passed within 200 miles of the city of Quebec. Why did not the R.C.A.F. shoot this aircraft down into an unpopulated area, since it could have endangered lives when allowed to crash after its fuel was exhausted?

Mr. Speaker: Order. I think the hon. member should put his question on the order paper.

HOUSE OF COMMONS

PAYMENT OF SESSIONAL STAFF DURING HOLIDAY RECESS

On the orders of the day:

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, you have authorized me to give a reply to the hon. member for Vancouver East, who on Friday last asked a question concerning payment of the sessional staff during the holiday recess. The answer is that the employment and pay of the sessional staff will continue during that period.

(Translation):

NATIONAL DEFENCE

WAS INFORMATION OBTAINED BY RUSSIAN SHIPS IN BAY OF FUNDY

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, my question is directed to the Minister of National Defence.

Can the minister tell the house whether it is true that the Russians, fishing in the bay of Fundy recently, fished some information of a military character?

Mr. Speaker: That question should be put on the order paper.

(Text):

ARTS, LETTERS AND SCIENCES

SUGGESTED ROYAL COMMISSION TO STUDY CANADIAN CULTURAL SITUATION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I would like to ask the Prime Minister a question arising from the strong statement made in the last 24 hours by Mr. Donald Gordon, president of Canadian National Railways, in favour of a royal commission to inquire into the relationship of the two cultures in Canada. I would like to ask the Prime Minister whether the government is any further along in its consideration of such a commission.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, this matter has been brought up on a number of occasions. When the government is in a position to advise or inform the house, then that will be done.

ADMINISTRATION OF JUSTICE

SONS OF FREEDOM, B.C.—SIZE OF DELEGATION TO OTTAWA

On the orders of the day:

Mr. Barry Mather (New Westminster): I wish to direct a question to the Prime Minister. Can the Prime Minister give the house an estimate of the number of Sons of Freedom the premier of British Columbia is sending to Ottawa for Christmas?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, it is a little too early yet to deal with presents for Christmas.

CIVIL DEFENCE

REPORTED CONVERSION OF PUBLIC BUILDINGS INTO FALL-OUT SHELTERS

On the orders of the day:

Mr. James E. Walker (York Centre): Mr. Speaker, I was wondering whether the Prime Minister has acquainted himself with the report of what was said by the minister of defence, which was the basis of my question yesterday, as follows:

> Is the government pushing ahead with an estimated one billion dollar program of converting over 4,000 public buildings into community fall-out shelters, as has been reported by the minister of defence to the press?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I would have to say the report was delivered to me yesterday. When the minister returns from Paris the matter can receive consideration, and I am sure there is no excessive haste needed at this time.

Hon. J. W. Pickersgill (Bonavista-Twillingate): May I ask the Minister of Finance a supplementary question. Could he say whether he is aware of any billion dollar program of this character?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, government programs are being studied at the moment, and they will be brought before the house at the proper time.

Mr. Walker: May I ask a supplementary question?

Mr. Speaker: Of whom?

Mr. Walker: I was going to put it to the Prime Minister, but as this has been referred to the Minister of Finance can the minister say whether budgetary approval of parliament will be sought before firm commitments are made regarding this program?

Mr. Nowlan: Budgetary approval is always sought, Mr. Speaker.

INQUIRY FOR RETURN

C.N.R. SERVICE, NEWFOUNDLAND

On the orders of the day:

Mr. C. W. Carter (Burin-Burgeo): I wish to direct a question to the Secretary of State concerning question No. 642 which was placed on the order paper in my name on November 6 and made an order for return on December 3. Will the Secretary of State endeavour to have this return made available before the Christmas recess?

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, I shall be glad to do that.

FINANCE

INQUIRY AS TO REMOVAL OF IMPORT SURCHARGES

On the orders of the day:

Mr. E. J. Benson (Kingston): Mr. Speaker, I was going to address a question to the Minister of Justice, but since he has left the house perhaps I can address it to the Minister of Finance. On October 4, 1962, as recorded on page 224 of *Hansard,* the Minister of Justice, in speaking of the so-called austerity program, stated:

> When the time comes when we can begin to reduce the program I can say that we shall first remove the import surcharges and then cancel the suspension of civil service salary increases.

Since the government has announced an end to the suspension of civil service salary increases, can we expect immediate removal of the import surcharges, or has the government once more reversed its policy?

Mr. Speaker: Order. I think the hon. member was laying a little trap there for a controversial reply.

Mr. Pickersgill: Why not?

Mr. Speaker: It is not in keeping with order, at least not to have controversial replies anyway.

PENSIONS

INQUIRY AS TO COMMUNICATIONS FROM QUEBEC AND NEWFOUNDLAND

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Now that the elections are over in the two provinces which have not previously agreed to the proposed amendment to the British North America Act regarding contributory old age pensions, can the Prime Minister say whether he has had any communications from Mr. Lesage and Mr. Smallwood regarding this matter?

Right Hon. J. G. Diefenbaker (Prime Minister): No, sir.

(Translation):

CANADIAN NATIONAL RAILWAYS

RECRUITMENT OF PERSONNEL FOR MATANE-STE. ANNE DES MONTS LINE

On the orders of the day:

Mr. Albert Bechard (Bonaventure): May I direct a question to the Minister of Transport (Mr. Balcer)? Could the minister tell us if the management of the Canadian National Railways has completed the recruiting of the staff needed for the efficient administration of the railway line linking Matane to Ste. Anne des Monts, which should be finished soon?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, in this case as in all others, the C.N.R. will hire the staff needed when required.

(Text):

ATLANTIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

On the order:

Third reading of Bill No. C-94, to provide for the establishment of an Atlantic development board—the Minister of National Revenue.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to raise a question of privilege in connection with proceeding with third reading of the bill that has just been called. It has been brought to my notice that there is someone in Ottawa who is purporting to be the secretary of the Atlantic development board, and it seems to me we should have this matter cleared up at once, sir. I would not say this if it were a mere matter of idle gossip, but perhaps I may, in the most uncontentious way possible, ask the minister about this; because I am sure he will want to clear it up.

Atlantic Development Board

Mr. Speaker: Order. May I raise one question. I have some doubt that the minister could reply on third reading, and I am just wondering how this is going to be accomplished.

Mr. Pickersgill: That is precisely why I raised it as a question of privilege, because it did not seem to me to be fair to the minister for me to intervene in the debate and raise this point. I can raise it very briefly now, and I do not intend to embellish it in any way, so the minister may clear up the point at once. The premier of Newfoundland telephoned me this morning—

Some hon. Members: Oh, oh.

Mr. Benidickson: The Prime Minister laughs.

Mr. Pickersgill: The Prime Minister seems to find this very amusing, but it is a serious matter dealing with the business of the house. As I was saying, the premier of Newfoundland telephoned me this morning to inquire if there was anyone in Ottawa who was authorized to act as secretary of the Atlantic development board. I said "Of course it is quite impossible, because the board has not been established. The legislation has not even been through one house, much less two". However, he said "This morning I received a telegram from the deputy minister of economic development, from Moncton, where he is attending a meeting of APEC". I intend to read only the first sentence of the telegram, which is as follows:

> Secretary of the Atlantic development board phoning from Ottawa asking APEC to have ready Monday a list of projects recommended by APEC branches of each province.

The telegram went on to suggest to the premier that such a list should be prepared. It seemed to me, Mr. Speaker that it could not possibly be that anybody had been designated to this post, and that the minister would want to clear up that matter before we proceed with the debate.

Mr. Speaker: I have some difficulty in deciding just what is the point of privilege in this particular instance. The hon. member might be able to assist me in that regard.

Mr. Pickersgill: It would seem to me, Mr. Speaker, that if anyone has been designated by the government to be the secretary of this board, before parliament has approved the setting up of that board, it would be a very serious contempt of parliament. That is the matter of privilege involved. I do not believe for a minute that this has happened and I would not have paid any attention to it if this message had not come to a respected organization like APEC, been passed on to the deputy minister of economic development of Newfoundland, and from him to the premier. I am sure the minister would want to assure us that the government is not anticipating any action by parliament in this regard.

Mr. Benidickson: Where does the pay come from?

Mr. Martin (Essex East): There must be an answer to this.

Mr. Speaker: I have some difficulty on the matter of privilege. If I let the minister reply I would be assuming that it is a question of privilege, and I think that would be somewhat irregular. There has been no motion for third reading. Under the circumstances, perhaps for clarification and seeing that the minister wishes to rise, I will permit him to deal with the question.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, I have no knowledge as to where the information—

Mr. Speaker: Order. I was perhaps a little precipitate, in so far as my remarks regarding third reading were concerned. I shall put the motion so that the minister may reply.

Hon. H. J. Flemming (Minister of National Revenue) moved the third reading of Bill No. C-94, to provide for the establishment of an Atlantic development board.

He said: Mr. Speaker, the matter raised by the hon. member for Bonavista-Twillingate is certainly completely unknown to me. I think I speak for the government as well. We have never heard of such a thing. It was never even contemplated. I am unable to understand this. Usually stories of this sort have a little basis in fact, but so far as I am concerned and so far as the government is concerned this has no basis whatsoever.

Mr. A. J. MacEachen (Inverness-Richmond): Mr. Speaker, it is not my intention to delay unduly the decision of the house by taking part in the debate on third reading of this bill. Unfortunately I did not have an opportunity to take part in the earlier consideration of this measure, but that in itself would not have encouraged me to take part in the debate on third reading were it not for a desire on the part of members of the official opposition to make another effort to remove what we regard as a fundamental deficiency in the terms of this legislation. For the first time the principle of the bill and all its clauses are before the house for a final look, and the House of Commons is now in a position to find out whether the committee of the whole did

what it could have done to improve the bill. If we are of the opinion that the committee of the whole did not do that, then it is open to the house to refer the bill back for further consideration. That is what I would hope to do by moving an amendment at the close of my remarks.

The general purpose of this legislation is to promote the economic development of the Atlantic area of Canada. As we all know, Mr. Speaker, economic development even in the most underdeveloped countries of the world is associated with a supply of capital and capital formation. Capital and investment is the economic side of development in general. We had expected when this legislation was first heralded that provision would be made for the spending of capital in order to accelerate the development of the Atlantic provinces. As a matter of fact I think every authority ever investigating the economy of our area has come to the conclusion that large quantities of additional capital are required, not only in the public sector of the economy but also in the private sector.

The Minister of National Revenue, as premier of New Brunswick, took the occasion more than once to point out the difficulty that private business had in acquiring capital, not only working capital but investment capital, owing to the stringency of the Canadian banking system. The hon. member for Davenport headed a royal commission which investigated the economic prospects of Canada as a whole, and one of the studies in connection with the commission's work did nothing more than insist upon the necessity of additional quantities of capital not only to provide for improved transportation facilities and public facilities in general but also to provide for the improvement of the productive capacity of the primary industries of the Atlantic region. In the light of that analysis the royal commission proposed the establishment of a capital projects commission. It was not to be an advisory board. It was not to be a research agency. It was to be an agency with capital at its disposal in order to meet the fundamental requirements of the economy.

Indeed, that idea of a capital fund caught on widely. It was subscribed to by APEC and has been mentioned very often in this debate. It became one of the fundamental planks of the Conservative members' platform in the federal election in 1957. The creation of an Atlantic provinces capital projects commission was among the highlights of that successful election manifesto.

Mr. Flemming (Victoria-Carleton): You haven't read it.

Mr. MacEachen: Indeed I have. No action was taken in the last parliament to institute the capital projects commission which was heralded by the Conservative members at that time. There was never any difference of opinion on the necessity for this development, because the Liberal party at its 1958 convention asked for the establishment of such a capital fund and at our national rally, where I had the opportunity to serve as chairman of the policy committee on the Atlantic provinces, one of the main ambitions of the delegates from all parts of the Atlantic provinces was to give support to an agency which would have capital at its disposal in order to benefit that region.

So I say the concept of an agency has developed inseparably from an agency having capital at its disposal. As a matter of fact the Minister of National Revenue himself referred to a question addressed to the Prime Minister last April by the hon. member for Cumberland, and in asking that question the hon. member had in mind what we all had in mind, namely that any agency would be a fund; a development fund, a capital fund. I say this because he asked the Prime Minister whether it was the intention of the government to bring forward a measure to establish a development fund; not a board, not an advisory agency. The Prime Minister in his reply left out the crucial word, of course, and said it was the intention of the government at some future date to bring in a measure to establish a development board, not a fund.

So we want, on third reading, once again to bring to the attention of the government, to members of the House of Commons, and to the people of Canada generally the fundamental weakness of this legislation, because this is primarily a board to give advice and to make recommendations. There is nobody who is more aware than I am of the necessity for research and inquiry. But nobody who has followed the history of the Atlantic provinces in the last 30 years is unaware that the best economists and the best judges have been brought together in one royal commission after another to examine the situation and tell us what is wrong with our economy and what ought to be done about it. More recently the Atlantic provinces economic council, of which the minister was a charter founding member, has spent itself producing advice and recommendations to public authorities as to what ought to be done. Mr. Speaker, we have an abundance of advice and an abundance of recommendations. All we lack is the capital, and fiscal measures by the central government to put into effect those important recommendations.

It is not possible for a private member on this or any other side of the house to get up and move an amendment which would place upon this board an obligation to spend money. That is impossible because of the proscriptions surrounding this kind of legislation. But it is possible for a private member to call attention, by an amendment, to the necessity of developing a capital program for the Atlantic provinces. It is possible for a private member to move an amendment which would make it one of the functions of the Atlantic development board to draw up each year a capital program which would go before the minister for consideration. If that recommended program proved sound and satisfactory, then the minister could make the necessary recommendations and provide the necessary estimates for carrying out the proposals made therein.

I would hope that members in all parties, and certainly those in the opposition parties, would find it possible to support this amendment, which would at least tell the people of the Atlantic provinces that this board will seriously study the capital requirements of that area, and that it will present to the minister each year a program for possible implementation. We cannot go beyond that as private members, but if we do not go that far we are not doing anything to meet the expectations of the people of the Atlantic provinces.

I therefore move, seconded by the hon. member for Gloucester (Mr. Robichaud):

That Bill C-94 be not now read a third time, but that it be referred back to the committee of the whole for the purpose of considering an amendment to clause 9 as follows:

That the following be added as paragraph (e) to section (1) of clause 9:

(e) Prepare annually for the consideration of the minister a program of capital projects designed to enlarge the basic economy of the Atlantic provinces.

Mr. Speaker: Is the hon. member prepared to discuss the question whether his amendment is in order?

Mr. MacEachen: Mr. Speaker, yes. I am satisfied that the amendment is in order. I think the most usual objection which is taken to an amendment of this kind is that such a request places a burden or an additional charge upon the minister. If that is not an objection, the only other possible argument that might be put forward is that this amendment somehow goes beyond the scope of the bill. Clause 9 reads:

(1) The objects of the board are to inquire into and report to the minister upon measures and projects for fostering the economic growth and development of the Atlantic region of Canada—

That is the general authority granted to the board by this bill. Then in four paragraphs which follow there is an effort to delineate in some detail the particular functions which may be assigned to the board. The additional paragraph which I propose simply specifies that the objects of the board, namely to inquire into and report to the minister, be carried out in one particular by preparing an annual list of capital projects which the board would give to the minister for consideration. In that way it seems to me that the amendment is fully within the scope of the bill and within the principle adopted on second reading.

Mr. G. W. Baldwin (Parliamentary Secretary to the Prime Minister): Mr. Speaker, the point of order I wish to make is quite simply directed to the viewpoint which the hon. member has expressed with regard to relevancy. I would refer your honour to Beauchesne, the fourth edition, citation 418, which is found at page 288. That citation says:

—All amendments which may be moved on a second reading of a bill may be moved on the third reading with the restriction that they cannot deal with any matter which is not contained in the bill—

With all due respect to the hon. member, I submit that the effect of this particular idea formulated by him in this amendment is to add something to the bill which is definitely not contemplated. This point was debated extensively yesterday, and I think hon. members of the official opposition recognized this during an attempt yesterday to move an amendment in committee very much along the same lines. I think they recognize that this is an addition to what is proposed in the bill. I simply leave it at that, Your Honour. This is an attitude, a point of view, which is not contemplated by the bill in clause 9. This is an addition to it, and is consequently out of order.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the citations one needs to look at in connection with this matter, so far as Beauchesne's fourth edition are concerned, are really only two in number, and perhaps they might be put on the record at this point. Citation 415 reads:

(1) When a bill comes up for third reading a member may move that it be not now read a third time but that it be referred back to the committee of the whole for the purpose of amending it in any particular—

That is, of course, what the hon. member for Inverness-Richmond (Mr. MacEachen) has sought to do. However, there is the restriction to which the parliamentary secretary to the Prime Minister (Mr. Baldwin) has referred, spelled out in citation 418, which says, in part:

—All amendments which may be moved on a second reading of a bill may be moved on the

third reading with the restriction that they cannot deal with any matter which is not contained in the bill—

Mr. Speaker, that seems to boil the issue down to a very simple one. The hon. member has the right to move an amendment of this kind, but clearly it must deal with something that is contained in the bill. I suggest that the bill does contain, as one of its objects, that the board shall "inquire into and report to the minister upon measures and projects for fostering the economic growth and development of the Atlantic region of Canada". It shall also "keep under constant review appropriate methods of furthering the sound economic development of the Atlantic region". I submit, Mr. Speaker, that the amendment deals with that very aspect of the bill. The only suggestion the hon. member is making is that there be an annual report to the minister along the lines already contemplated by the bill.

At the risk of repetition, may I say that one of the powers in the bill is the authority of the board to report to the minister on projects for the improvement of conditions in the Atlantic region. All this amendment does is to require that these reports to the minister shall be made annually. As a matter of fact, this is the main object of the bill, which is set out in the first part of clause 9. That clause already has some details, some delineations of the specific and main object of the bill. All the hon. member for Inverness-Richmond is doing is adding one further area of delineation, namely that these reports shall be made annually. Therefore I submit that it is an amendment dealing with a matter contained in the bill, and should consequently be considered as in order.

Mr. Speaker: Is there any further argument on the question whether the amendment is out of order? Then I find, on reading subsection 1 of clause 9 of the bill, that there is a general direction given to the board that the objects are to inquire into certain matters. Then it says:

—without limiting the generality of the foregoing, the board may—

That is permissive; it is not a direction to the board.

The clause goes on:

—the board may, in furtherance of its objects—

This power given to the board is a permissive one. If it is held that what is proposed in this amendment is already within the objects of the board, then the amendment is redundant. In the alternative, if it is not included, then it is adding something to the bill, which is contrary to citation 418. I think the hon. member for Winnipeg North Centre (Mr. Knowles) was aware of this particular point.

It is my view that the use of the words "and without limiting the generality of the foregoing, the board may" means that this is permissive. There is no obligation stemming from the use of the word "may". The bill does not say that "the board shall, in furtherance of its objects", and so forth; the bill says that "the board may". Therefore, I find either that the purpose of this amendment is included in the general objects and powers of the board and therefore this amendment is redundant or, in the alternative, if it is not within the objects of the board, it adds something which is not contained in the bill and that is contrary to what the hon. member has said under citation 418. That is my ruling. I cannot accept the amendment.

Mr. Martin (Essex East): With great respect, may I ask Your Honour to observe that Your Honour—and I say, with regret, that I am sure of this—made a mistake when you said that the word "may" is to be construed in its literal interpretation. The Interpretation Act is clear in stating that where the word "may" in a statute appears it shall be construed as meaning "shall". It is not permissive. Your Honour may express surprise, but if Your Honour will do me the honour of examining the Interpretation Act you will find that is the case. We have had this matter discussed on a number of occasions in this house. To take any other attitude would mean to negative completely the whole bill. Under the Interpretation Act the word "may" means "shall". That is what the Interpretation Act provides with regard to this particular word. This being the case, Your Honour's whole argument falls to the ground.

Mr. Jones: On this point of order, Mr. Speaker, may I say that it is my impression that you ruled on this question yesterday, as found at page 2542 of *Hansard,* when a similar proposal was made in committee.

Mr. Pickersgill: His Honour is not in committee.

Mr. Jones: As I understand the rules of this house, particularly those which have been referred to already today, may I say this. Citation 418 reads:

All amendments which may be moved on a second reading of a bill may be moved on the third reading—

The hon. member could not move on second reading an amendment which had already been ruled out of order. Therefore he could not move today an amendment which had been ruled out of order yesterday.

Mr. Knowles: Mr. Speaker, the reason I interrupted with the word "no" at one point when you were speaking was that I feel that you are misinterpreting the key sentence of citation 418. A moment ago you said that either the amendment is redundant or that it proposes something which is not in the bill and therefore, I think Your Honour said, it could not be in order. The point I wish to make is that the key sentence in citation 418 does not say that you cannot move something that is not in the bill. It says you cannot move something that deals with any matter which is not contained in the bill. If the other interpretation were allowed there would be nothing at all that one could move. Everything would either be redundant or would not already be in the bill. Surely the wording of that sentence is quite clear that an amendment is in order if it deals with something that is there in the bill. This one does so. There are in the bill provisions for the making of reports to the minister. This amendment deals with the making of reports. It is adjectival in a sense, in that it proposes that these reports shall be made annually. I submit that the amendment comes within the provisions of that key sentence in citation 418.

Mr. Speaker: Notwithstanding the able additional arguments which hon. members have addressed to me and for which I thank them, I am still of the same opinion with regard to the use of the word "may" in the principal clause, and that if we wish to leave the meaning of the word "shall" we should use the word "shall". In any event the word "may" is permissive in my interpretation and does not add to the duties of the board. Anyway, if it is included in the first portion under clause 1, then the amendment is redundant. If in the alternative it is not included, and in particular having regard to what the hon. member for Winnipeg North Centre said regarding reports, may I say that if there happens to be a report somewhere in the bill, this amendment concerns the drawing up of a program of capital projects. This is not just a report. This deals with a program of capital projects as I see it, by the wording of the proposed amendment; and that in my judgment cannot be a mere report or other report as designated in the bill. Therefore, the amendment does not meet the requirements of citation 418 and I would so rule.

Mr. Knowles: Mr. Speaker, with respect I must, unless my hon. friend wishes to do so—

Mr. MacEachen: I intend with regret, Mr. Speaker, to appeal your ruling.

[Mr. Jones.]

Mr. Speaker: The house has heard the decision of the Chair from which the hon. member for Inverness-Richmond has appealed to the house. All those in favour of sustaining the decision of the Chair will please say yea.

Some hon. Members: Yea.

Mr. Speaker: Will those opposed please say nay.

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

Mr. Speaker put the question as follows:

The question is an appeal to the house from a ruling of the Chair which is as follows: To the motion for third reading of Bill No. C-94, an act to provide for the establishment of an Atlantic development board, the hon. member for Inverness-Richmond (Mr. MacEachen) moved an amendment as follows:

"that the following be added as paragraph (e) to section (1) of clause 9:

(e) Prepare annually for the consideration of the minister a program of capital projects designed to enlarge the basic economy of the Atlantic provinces."

The Chair ruled that the proposed amendment purported to deal with a matter not contained in the bill and was not in keeping with citation 418 in Beauchesne's fourth edition, whereupon the hon. member for Inverness-Richmond appealed to the house from the decision of the Chair.

The house divided on the question: Shall the Speaker's decision be sustained? And the decision of the Chair was sustained on the following division:

YEAS

Messrs:

Aiken
Balcer
Baldwin
Baskin
Beaulé
Bélanger
Bell (Carleton)
Bell (Saint John-Albert)
Belzile
Bigg
Bourbonnais
Boutin
Bradley
Cadieu
Casselman, Mrs.
Chapdelaine
Chaplin
Chown
Churchill
Clancy
Coates
Cooper
Côté
Crouse
Diefenbaker
Dinsdale
Dionne
Doucett
Dumont
English
Enns
Fairweather
Fane
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Gagnon
Gauthier
Grafftey
Grills
Gundlock
Hales
Halpenny
Hamilton
Hanbidge
Hodgson
Horner (Acadia)
Horner (The Battlefords)
Howe
Jones
Jorgenson
Kennedy
Kindt
Korchinski
Latulippe
Leboe

Legere	Ormiston
Lessard (Lake St. John)	Ouellet
Létourneau	Pascoe
Macdonald, Mrs.	Paul
MacEwan	Perron
MacLean (Queens)	Pigeon
Macquarrie	Pugh
MacRae	Rapp
McBain	Ricard
McCleave	Robinson
McGee	Rondeau
McGrath	Rowe
McIntosh	Roy
McPhillips	Rynard
Maltais	Sévigny
Mandziuk	Simpson
Martineau	Skoreyko
Millar	Smallwood
Monteith	Smith (Calgary South)
Moore	Smith (Simcoe North)
More	Southam
Muir (Cape Breton North and Victoria)	Starr
Muir (Lisgar)	Stenson
Nasserden	Thompson
Nowlan	Valade
Nugent	Vincent
O'Hurley	Webb
Olson	Weichel
	Winkler—113.

NAYS

Messrs:

Addison	Knowles
Argue	Laing
Badanai	LaMarsh, Miss
Barnett	Laniel
Batten	Leduc
Béchard	Legaré
Beer	Lessard (St. Henry)
Benidickson	Lewis
Benson	Loiselle
Berger	Macdonald (Rosedale)
Boulanger	MacEachen
Bourque	MacInnis
Brown	Mackasey
Burgess	McLean (Charlotte)
Byrne	McMillan
Cadieux	McNulty
Cameron (High Park)	McWilliam
Cantin	Martin (Timmins)
Cardin	Mather
Caron	Matheson
Carter	Matte
Chevrier	Mitchell
Clermont	Munro
Clunis	Nicholson
Cowan	Otto
Crestohl	Pearson
Crossman	Peters
Denis	Pickersgill
Drouin	Pilon
Dubé	Rinfret
Dupuis	Robichaud
Douglas	Rochon
Ethier	Rock
Eudes	Rouleau
Fisher	Roxburgh
Foy	Ryan
Godin	Sauvé
Gordon	Scott
Granger	Stewart
Gray	Tardif
Habel	Tucker
Haidasz	Wahn
Harley	Walker
Herridge	Webster
Honey	Winch—90.

Mr. Macnaughton: Mr. Speaker, I was paired. Had I voted I would have voted against the Speaker's decision.

Mr. Davis: Mr. Speaker, I was paired. Had I voted I would have voted against the ruling.

Mr. Pennell: Mr. Speaker, I was paired. Had I voted I would have voted against the ruling.

(Translation):

Mr. Richard: Mr. Speaker, I was paired; otherwise I would have voted against your ruling.

(Text):

Mr. Martin (Essex East): Mr. Speaker, I was paired with the Secretary of State for External Affairs (Mr. Green). Had I voted I would have, with regret, voted against Your Honour's ruling.

Mr. Speaker: I declare the ruling sustained. Is it the pleasure of the house to adopt the said motion?

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

SUPPLY

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

INTERIM SUPPLY

Mr. Nowlan moved:

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20, $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

He said: Mr. Chairman, you have just concluded reading the various items which are set forth in this interim supply motion that I am proposing to the committee at this time. The proportions requested in this bill are intended

to provide for all necessary expenditures up till January 31 next. In other words, we are asking for a further 30-day supply to carry us through the month of January. In no instance is the amount of any item being released by this bill. The form of the bill which will be submitted if the committee approves the resolution will be the usual form of interim supply bill which has been customarily adopted in this house for many many years.

Mr. Chairman, I can give the usual assurance which all ministers of finance give at this time, that the passing of this bill will not prejudice the rights and privileges of hon. members to criticize any item of the estimates when it comes up for consideration in committee of supply, and the usual undertaking that such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure. I should also point out that in the bill when it comes down—it is not before us at the moment—there will be a provision for further borrowing power. Mr. Chairman, I had one once before and I forgot to mention it, and I want to mention it at this time so the committee will be advised of that. That is all I propose to say at this time except to say that this resolution covers all the various items of the departments. The items are, with one exception—which is for ten twelfths—for one twelfth, and we are maintaining each item uncurtailed so that there will have to be further votes and an opportunity to discuss them at a later date.

Mr. Davis: Mr. Chairman, it is of course the historic right of the commons to discuss any matter of expenditure of moneys before granting supply. I propose in the time available to me today to talk about the Columbia river treaty, in that it involves over the current 12-month period an expenditure approximating $250,000. However, before doing so I would like to make a few general remarks.

On the two previous occasions my party has not engaged in an extensive debate when the government requested another 30-day interim supply of funds with which to carry out its commitments to the nation. But it should be pointed out that this house is now being asked for the tenth instalment of what in total will amount to an outlay in the current fiscal year in excess of $6 billion. This is indeed a unique situation. We are being asked to approve the tenth instalment of a total of 12 monthly instalments without a single item of the estimates having been passed after a full scale debate in this house. True, the first item in respect of agriculture has been introduced and some discussion has been held, but it has not been passed. The estimates in respect of this and indeed all other departments of government remain to be discussed. Opportunities early in the new year will also be limited. For this reason, Mr. Chairman, you should expect that some hon. members will want to discuss matters of general concern and of particular concern to various parts of the country.

I would like to stress that the Columbia river treaty in western Canada, and more particularly in British Columbia, is a subject of very considerable concern. It also involves very substantial expenditures in respect of the development of not only hydroelectric power but other resources as well. The Columbia river is a river after which British Columbia takes its name. It is important. It is the third largest river on this continent in terms of the volume of water flowing. It is the largest source of hydroelectric power in North America. It is eight times larger, in terms of its water power capability, than the St. Lawrence. This is a tremendous resource. It is also a resource which spans the international boundary. It rises in large part in Canada and it descends into the United States. It is important not only in respect of power but also in respect of flood control, navigation, irrigation and the consumptive uses of water. As hon. members know, the states to the south, notably California and the southern parts of Oregon, are arid or semi-arid. Water is vital to their development; consequently great sums of money are being invested in those states in order to bring water to those areas. These great schemes are reaching northward to Columbia and eventually, I have no doubt, they will be affecting Canada as well. We have a golden opportunity in this great nation of ours to develop our resources in conjunction with those of the United States. We can help to hold back the flood waters of the Columbia river as they descend into the United States.

At present, ten times as much water flows into the United States during the freshet period of the summer as in the winter, flooding over the dams, flooding real estate and diminishing land values in that country. The intent of man is to iron out that pattern and eventually, I have no doubt, the flow in the summer will be sufficiently reduced to make it less than in wintertime.

Canada has been pressed to enter into agreements to hold back the headwaters, and the terms of such agreements are important because those terms could reduce our resource potential. The works immediately to the south of Canada today, in the United States, total in value approximately $3 billion. There is more hydroelectric power developed on the Columbia in the United States than there is

actually developed in the whole of the province of Quebec. There are investments running into hundreds of millions of dollars in irrigation schemes, flood control and navigation measures. Consequently, the United States is very interested in how we manage our resources to the north, and particularly interested in the expenditure we incur in developing those resources. They would like us to develop them in such a way as to maximize their development as well. I know, as do other hon. members, that through a co-operative development the increase in benefits which must follow will be to the advantage of both our countries.

In the early days, the United States approached us essentially with the view that these waters rising high in Canada and flowing into the United States would inevitably be available to the United States and that sooner or later, as we put works in the upper reaches to hold back the flow for our own purposes, they would be able to reap advantages. So, they thought, they need only wait. But beginning around 1944 and, to an increasing extent, more recently, they did press on us certain developments which they felt could be accelerated to their advantage. They argued at first that they should only buy the land—that they need only compensate the land owners for flooding occurring in Canada. This was resisted. They certainly were against giving us any part of the downstream benefits—the great improvements and savings resulting in their country. But it is to the eternal credit of that great Canadian, General McNaughton, that the idea that a sharing of these downstream benefits might take place and that Canada might gain some of these additional advantages in terms not only of more power produced but of flood control, began to take root. The argument advanced by the Americans in the most summary way was: The water may originate in your country but it has to flow down our hill. General McNaughton's answer to that was: Yes, it originates in our country but it does not necessarily have to flow down your hill.

We can, under the boundary waters treaty signed by our two countries in 1909, divert these waters in Canada so that they flow into other watersheds, perhaps into the Fraser, or perhaps, eventually be diverted through the Rocky mountains to irrigate the more arid areas of the prairies. These are great and imaginative schemes. We must have this flexibility—this freedom to develop the resources of our country which, under the boundary waters treaty, is ours. We have the sovereign right to develop those resources as we choose and, indeed, the United States has insisted that this be the case with respect to its own resources in the past.

But there are many problems connected with the development of the Columbia and, certainly, the negotiators of the existing Columbia river treaty have run into them. One of these problems is that it is we who have to put up the dams, and the dams are very expensive. The United States, on the other hand would be concerned on the other side of the international boundary with the construction of relatively inexpensive works to capture these effects. We find under the terms of the present draft treaty that the capital outlays to be made by Canada will be of the order of four times those to be made by the United States. To complicate matters further, the United States Pacific northwest —and I believe Alaska will share in this treatment—is most fortunate in that it is in a preferred position in the eyes of the United States government. It receives funds for the development of these great river resources at an interest rate of 2½ per cent. It has been doing so for several decades and there is no indication that the United States federal government will, in the immediate future at least, make money more expensive in this connection. They do not have to borrow at the current interest rates in the United States, of between 3 and 4 per cent. They receive this special subsidy. So not only are the projects in the United States cheaper to build, but the money itself is cheaper. Consequently, the rates for power, the annual charges and so on will be only a fraction of the cost on the Canadian side. We are putting up four times as much money for the works, and our money may cost 5 per cent as compared to 2½ per cent. The result is we have a more expensive product on our side of the line. There has to be more give and take in this so as to balance out the situation.

There is another difficulty. This project, when completed, would have immense consequences in terms of production. It would make available, all of a sudden, more power than is at present generated by all the utilities in British Columbia. Many Canadians would have us bring back as fast as we could absorb it the extra power produced in the United States as a result of our controlling these flows. Thus we have the problem of markets as well as capital costs.

Finally, in entering upon any arrangement of this kind we do lose some of our sovereignty. We must make sure in respect to treaties of this kind that we do not agree to conditions or set precedents which tie our hands with respect to the use of water in our own territory. As to whether the present treaty, signed nearly two years ago, is a good

treaty or not, let me say this: I personally believe that the treaty must be renegotiated. I believe many hon. members hold the same view. It must be renegotiated for several reasons, reasons about which I shall be more explicit. One is the cost of the power we shall receive as a result of this treaty. The cost of power coming back from the United States, is approximately four mills per kilowatt hour. We have many other sources in British Columbia which can produce power at or about this price. The net advantage to this country is approximately zero, so we have no considerable incentive to go ahead with these works at the present time under the terms of the treaty. The United States, on the other hand, because they do not have to build great dams, reservoirs, and so on, but merely put in the occasional generating machine, get their energy for less than one mill per kilowatt hour, which is less than one quarter of the cost to Canada. Their alternatives are of the order of three or four mills. They have the great net advantage of a great saving with respect to power. They have a real incentive to pursue this treaty in its present form in terms of the cost of power. This is one of the reasons why the senate of the United States passed that treaty with a vote of 99 to 1, and in record time.

There is also the matter of what happens to the amount of power we get under this treaty as the years go by. Under the formula which is built into the treaty, this is bound to diminish and eventually be extinguished over the 60-year life, or at least be substantially reduced during that period, under any possible operating conditions. While this is strictly policed, under the treaty we are prepared, apparently, to make a lump sum, all-out and forever settlement with respect to flood control.

Flood control clearly grows more important as the population of the United States grows in the Pacific-northwest area due to the development of industries. So why make a flat, all-out, lump-sum settlement, even if it is $64 million when this great advantage increases with time? Why not do the same as is done with respect to power, and police that advantage year after year into the indefinite future? Because this is the way the treaty is drawn, and we are obliged to make this service available to the United States forever.

I heard one hon. member ask why not, when I mentioned $64 million. In the evidence given before the United States senate, it was claimed by one of the officials who helped negotiate the United States treaty on the American side that the cost of alternative works to provide flood control for the United States would be in the order of $500 million. Consequently one can see that $64 million, while it is a substantial sum in the eyes of people who look only a few years ahead, is a very low price for the United States to pay for this service in perpetuity; forever, holding back these billions of tons of water each year and letting it down in an orderly fashion so as to protect real estate in the United States and to generate more electrical energy, provide better navigation control, and so on.

In this treaty we are up against certain penalties. We have to complete three immense projects totalling $350 million at a minimum by definite points in time. On the other hand, the United States, with respect to one project of similar character, has no definite deadline to meet. It may or may not build this project; and if it does decide to build it, it may do so within a considerable time span and with considerable latitude. I contend that we should have similar latitude with respect to the completion of our much more expensive projects.

I should like to skim very briefly through the bill and list a few more points. One of them is with respect to the over-all operation. This is a tremendous investment and expense, yet the general orientation of the treaty is towards producing the greatest benefit for both countries. Throughout the treaty the criterion of maximization applies to both countries—not maximization of benefit for Canada, but on the greatest benefit for Canada and the United States. Consequently, I myself have reservations and I should like to hear many learned people, both from the engineering and legal fraternities, tell me how Canada can be sure in each instance of its own maximum advantage in this connection, while also sharing in the great gains made by the United States. With regard to these works which the Americans are putting in downstream, the term referring to them is "useful life". It is not the life of the treaty, but the useful life. The useful life means the life of a dam or any other works downstream of Canada providing there is adequate maintenance; and adequate maintenance can be such as would keep those particular works in being forever. This is the real reason why the United States will be forever able to take advantage of those routines which we are required to set up under the treaty. Admittedly the treaty runs for 60 years: our obligation, I fear, will run on forever.

Under the treaty we are called upon, with respect to flood control, to operate according to calls made by entities named by the United States. We must respond to these calls not only until the expiration of the life

of the treaty, but beyond. I should like simply to quote from the treaty. It says:

For the purpose of flood control until the expiration of sixty years from the ratification date, Canada shall

(a) operate—

The named projects under the treaty. In addition it shall—

(b) operate any additional storage in the Columbia river basin in Canada, when called upon by an entity designated by the United States of America for that purpose—

Then beyond that:

(3) For the purpose of flood control after the expiration of sixty years from the ratification date, and for so long as the flows in the Columbia river in Canada continue to contribute to potential flood hazard in the United States of America, Canada shall, when called upon by an entity designated by the United States of America for that purpose, operate within the limits of existing facilities any storage in the Columbia river basin in Canada—

I think that is quite definite with respect to Canada's long term and continuing obligations.

A great deal has been made of the fifty-fifty sharing arrangement. I might mention in passing that Canada gets approximately 40 per cent of the additional firm, reliable power produced in the United States as a result of the treaty.

Finally—and on this point alone I certainly want to see the treaty renegotiated—there is the disposal of surplus power produced in the United States. I mentioned that there was an amount comparable to the present total utility production in Canada. We will have a surplus in the early years. Terms and conditions of sale in the United States must be established. The price and the time over which it is sold in the United States must be determined. Yet the treaty clearly says that while we are obliged to build these projects costing hundreds of millions of dollars, the price at which we can sell these surplus benefits can be determined only after the treaty is ratified. In other words, we have to sign the treaty and go through with a tremendous investment and then go back, cap in hand and say to the United States: "Please, what will you pay us for what is demonstrably surplus to our relatively small economy in the west? One day we need it, but we cannot absorb it at the moment. It is going over your dams; what will you give us for it?" They will give us next to nothing and we will have this tremendous investment with a high interest rate and carrying charges to contend with. I suggest that this is not a provident arrangement for a country like Canada to enter into, particularly in a period of austerity like this when our balance of payments is in need of a shot in the arm in the form of larger payments from the United States.

As to a solution which will enable us to turn around and take a more positive approach to this whole program, there are certain projects which are contentious. Certainly the Libby project, which captures part of the Canadian flow, I contend forever, should be postponed, if not eliminated entirely. Certain projects involving flooding in Canada are contentious. These should be postponed. Then we should get back to the principles which were agreed upon under the international joint commission when it advocated the principles for the negotiation of such a treaty. I believe that the treaty should be renegotiated in the matter of principles only, naming the entities responsible for the development on each side of the border, and naming the procedures, the sequences and the principles under which the results can be divided. But no more than that, and not naming projects, because we are getting into difficulties over the individual projects.

With a treaty expressed in terms of principles already laid down and agreed to between Canada and the United States, we would then be able to proceed in a more leisurely, certainly a more circumspect, way as far as Canada is concerned. I would advocate our immediate start, once such a treaty had been ratified, on the largest single project which is not contested by any principal interest in this country, the Mica creek project. This would provide all of the flood control which the United States wants at this time, and two thirds, perhaps three quarters, of all the additional power the United States wants at this time. For a much smaller investment than that to which we are obligated under the treaty, we can proceed with this project, yield the results the United States needs and fit into existing programs in the province of British Columbia. In other words, there would be less contention in Canada. The United States would get largely what it wants and certainly we would be spending less money to achieve the downstream results of the present treaty.

I would leave the Libby project out at the present time. I would want to name the amounts of water that we would send down to the United States over a period of years and would not want to be tied up specifically to any individual development in any particular place after the Mica creek project was advanced. I would certainly want our hands to be free at the end of the life of a 60 year treaty, so that we could bargain, as we would at that time and in the light of the circumstances in that day, in order to improve the situation in which we find ourselves then.

There are many advantages to this more flexible approach in terms of principle, and then the taking of one project at a time. We could in a matter of months renegotiate the treaty. Such a treaty permitting us to proceed with agreed projects would fit in much better with the requirements for power and other advantages in British Columbia. The Mica creek project, for example, would not in the early stages be a direct competitor with the Peace river project or any other power project in British Columbia. For that reason I would imagine the government of the province of British Columbia would be more amenable to that suggestion or that arrangement than it is to the present treaty which faces us with a great surplus of power within the province as well as outside. I would certainly want to see this come about.

Let me briefly run down several other advantages which I see to a general treaty expressed in terms of principles followed by step by step development. Another advantage is that the benefits to each country can be more accurately forecast if the major projects are undertaken one at a time. Certainly the alternatives open to us under those circumstances and at a later date would be much better known than they are today.

Second, most advantageous projects could be undertaken first. Rather than being obligated to build three big projects, as we are now obligated, we could put in the first one which attracts the greatest benefits under the calculation of benefits recognized by both countries. We would get the greatest yield on our investment, and this is to our greatest economic advantage.

Third, the construction of individual projects can be timed in such a way as to fit much more properly into our needs in western Canada and into the sequence of other projects which are also under there or which can be initiated in a proper integrated sequence with the development of the upper Columbia.

Fourth, it certainly permits the bargaining process to take place in stages. We need to learn a great deal about the United States side of the line, the power systems and the developing economy there, in order to bargain intelligently, to improve our position and to gain our share of a larger pie to be divided between our two countries.

Fifth, I believe this general approach which I have suggested improves the chances of immediate action by putting off until a subsequent stage decisions on such controversial projects as the High Arrow dam where there is considerable flooding in Canada and the Libby dam with its implications of the United States being able to hold on forever to the flows of the upper Kootenay orginating in Canada.

[Mr. Davis.]

Sixth, some loss of sovereignty is implicit in any international undertaking. However, by proceeding a step at a time this loss may be minimized. At least its consequences for Canada will be more easily understood both by the experts in the power industry and by others who are concerned with the general development of the western part of this country.

I realize that we have a great opportunity in that the United States is looking to us for a very valuable service. If we do not move reasonably quickly, and certainly if we do not move in a predictable way and do not honour our agreements, they will perhaps make unduly expensive arrangements in order to provide some of these services for themselves. We can provide them more cheaply. If we can provide them more cheaply, I suggest that we do so, but that we share in the savings which accrue to the United States. This is the intent of the present treaty and certainly I would not criticize in any way that aspect of the treaty. However, we must move quickly.

I also believe that we should bring this subject perhaps to a committee of the house. Certainly we should focus on it now in terms of removing numerous difficulties. Some I have mentioned. About some of them I am not entirely certain myself. However, I have heard other people whose opinions I respect express great concern about them, including General McNaughton, various engineers and economists in eastern Canada, and others in western Canada including members of the Vancouver board of trade, engineering consultants and so on. These people should be heard.

I believe that one of the problems or one of the great failures of recent years has been our inability to bring issues of this character before the Canadian public and to have full public disclosure of all the aspects of them. The pipe line debate was unfortunate in many ways. It should have been preceded by hearings before various boards, certainly by hearings before a national energy board of the character of the one we have today. In respect of the Columbia treaty may I say that I believe this matter should have been before one or several boards for the purpose of the production of evidence on alternative plans for carrying out an immense development which has tremendous long term consequences for the country. This has not happened. I therefore believe that all members of this house should join in an understanding whereby we could, through some committee, explore all these alternatives, possibilities or projects and produce an alternative for action. I believe we have an opportunity—

The Deputy Chairman: Order. I am sorry to interrupt the hon. member but it is my duty to inform him that his time has expired.

An hon. Member: Continue.

The Deputy Chairman: Is it the pleasure of the committee to give unanimous consent?

Some hon. Members: Agreed.

Mr. Nowlan: Of course; let us give him time in which to wind up.

Mr. Davis: We should hear the views of the various utilities. The power companies in British Columbia were not consulted in respect of the Columbia river treaty and its evolution at any stage. I believe that people like that should be heard in advance of a great international commitment of this kind.

I believe we have here a great chance to set an example for other countries. About a year and a half ago I was at a gathering sponsored by the United Nations. It was sponsored and held by the United Nations in Vancouver and people from all over the world came to it. On the last day of a week long meeting with respect to the development of international river basins, the Columbia river treaty was featured. On the facts in respect of the Columbia a good paper was given by a prominent representative of the United States. However, before the meeting was over the Canadians and the Americans were arguing loudly the great disadvantages and obligations put on Canada under the treaty. I think this was a very poor performance before the United Nations. I believe that we have here an opportunity to produce a treaty which will be a great example for others to follow outside of this continent. I certainly believe in the old dictum that we should "make the sale clear and plain that none may afterwards complain". Certainly this is the great objective that I think we should all pursue, and I would argue that this treaty is not a matter of partisan advantage or approach but is something with which we should concern ourselves and try to expedite as rapidly as possible.

Mr. Olson: Mr. Chairman, as has been pointed out we are now asked to approve another interim supply motion that will involve altogether ten twelfths of the total budget for this fiscal year. I think this is an indication that something is wrong with parliament with regard to expediting the business that we ought to be doing. As I have said, we will have voted ten twelfths of the entire amount that is to be spent this year, but the situation is that we have not passed any of the estimates and have not passed a budget. Unless we speed up the operations of the house we will probably have passed twelve twelfths without approving a budget or passing the estimates of the various departments.

We in this party are becoming increasingly disturbed because of the lack of action on the part of the government, even respecting legislation that has already been passed by the house. I refer specifically to acts such as ARDA. Not long ago members of the government were going about the country holding forth that this legislation was an all-inclusive plan to rehabilitate the agricultural segment of our economy. Many of them suggested that the provinces, whose co-operation was being sought, were dragging their feet in implementing what is contemplated in ARDA. In December of 1962 we have now reached a point where several months have gone by since the provinces have actually undertaken extensive studies of suitable projects for this legislation. They have submitted these projects to the federal government and so far very few, if any, substantial projects have been approved.

For example, there is the matter of community pastures. I know this project has been submitted to the federal government but it has not yet been approved. Projects of this type should be approved now so that the planning and other necessary requirements can be completed in order to be able to undertake these projects early in the spring. I am told that suggestions have been made by responsible ministers in the federal cabinet that they would be willing to make some of their contributions retroactive, and the provinces therefore could go ahead with these matters. I think this is an unreasonable suggestion to make because certainly this kind of co-operative action in this area has no precedent, and the provinces simply have not had any guidance from the federal cabinet as to what they will approve and what they will reject. The problem facing the provinces is that if they undertook these projects they might find later that they had to carry the load.

Action under ARDA is not the only thing that is being held up. Earlier today and yesterday, for example, we spent a great deal of time discussing the Atlantic development board, and the bill has now been passed. I suggest that there was a board already in existence, the Atlantic provinces economic council, which has essentially all of the powers that this new board has. If the government is not willing and anxious to take positive steps with regard to the studies and recommendations that have already been made, then this new board is probably redundant.

As we went through the clause by clause study of the bill respecting the Atlantic development board certain amendments were suggested, some of which were perhaps good. At the same time, however, we feel that the usefulness of any such board is primarily determined by whether or not the government takes positive action on the findings and recommendations that are submitted to it. We suggest that this has not been the practice in the past. We are also going to have another new board, the national economic development board. I submit that the government already has the necessary information regarding the whole economic structure of business and industry in the Atlantic provinces and, so far as agriculture and ARDA are concerned, complete studies have been made and recommendations have been submitted to them. Therefore if the government is prepared to take any action it is not necessary to go on setting up one board after another.

We are also a little disturbed that no action has been taken on the O'Leary report, and no substantial action has been taken on the MacPherson report. I suggest that if positive action had been taken on these reports when they were submitted many of the problems now existing in the fields where these commissions made investigations simply would not be facing the country today.

There is another matter I want to bring up which falls into the same category. I refer to the inquiry into the air services in the prairie region. Over the past number of years we have been told by the government that they were prepared to take action to improve the airports along some of these routes as soon as there was a long term plan for the provision of air services to these areas.

For example, in 1958 there was an item in the estimates of $500,000 to improve the airport at Medicine Hat. This has never been done, and in the years since, the Minister of Transport has told us repeatedly, that the government would have to inquire into the application by Trans-Canada Air Lines to abandon this run or to be relieved of the responsibility for providing this service, and that they were going to hear applications from smaller air lines to take over the service. Over a year ago an inquiry was held in Regina. The government has had the report before it now for several weeks. They were completely aware of the problem that existed before the report came to them, and now that they have the recommendations contained in the report we would like to see them keep some of the promises they made about improving this service. We realize, of course, that many of the airports along this route simply cannot take the new, modern aircraft that Trans-Canada Air Lines is using.

The Deputy Chairman: Order. So that the house may proceed to the consideration of private member's business, pursuant to section 3 of standing order 15 it is my duty to rise, report progress and request leave to sit again later this day or at the next sitting of the house as the case may be.

Progress reported.

Mr. Speaker: It now being five o'clock the house will proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions as they appear on page 23.

PENSIONS

SUGGESTED ENCOURAGEMENT TO PORTABILITY PROVISIONS

Mr. W. H. McMillan (Welland) moved:

That, in the opinion of this house, the government should consider the advisability of encouraging early vesting of pension rights of employees by disallowing in whole or in part the employer's claims for a reduction of the expenses of pensions for income tax purposes where reasonable vesting provisions are not adopted.

He said: Mr. Speaker, in moving this motion I wish to say I realize that pensions come under the jurisdiction of the provinces. I also realize that the ideal arrangement would be an agreement with the provinces so that we might have pensions on a national scale and that we might have vesting from the start of employment. This would provide for portability of pensions.

Portability of pensions was mentioned in the speech from the throne this year, and I believe last year also, and some reference was made to calling representatives of the provinces together to deal with the matter. Up until now we have not heard anything further about it, and I do not know whether the government has any disposition to do it; but in the meantime I feel we have to do whatever we can within our jurisdiction to remedy the situation.

I also know that in the speech from the throne at the opening of the Ontario legislature the question of early vesting and portability of pensions was mentioned; but even were this to become law in Ontario it would not help working people in the other provinces. Neither would it help working people moving from one province to another, even those who now live in the province of Ontario.

Industrial pensions come under two groups. First we have the group where the employer and the employee both contribute, and the second group is where the employer contributes the whole amount towards a pension

plan. The matter of contributions and the amount of the contributions generally result from an agreement between management and labour, and form part of a contract. In a sense the employer's contributions are withheld wages, as they form part of the contract. Now, since most large employers are in the 50 per cent income bracket, it follows that the people of Canada have about a 50 per cent stake in these pension funds, and since they have a 50 per cent stake in them it is only right that we should have something to say concerning the administration of these funds.

Not long ago, when the income tax resolutions were before the house and amendments to the income tax bill were discussed, we made it possible for participants in a deferred profit sharing plan and for participants in retirement savings plans to transfer their funds to other similar plans exempt from income tax. The Minister of Finance said this was also possible for participants in industrial pension plans, but unfortunately it cannot take place until the participant in an industrial pension plan has some vesting in his pension plan, this vesting does not take place for a number of years.

At the present time under such plans an employee can usually get a return of his own contributions, but the contributions made to the fund on his behalf by the employer do not accrue to him until he has completed a certain number of years service or until he has reached a certain age, and generally the minimum number of years of service is around 20 years or more.

There are many reasons why an employee may not be able to work for 20 years or for some other number of years up to the time of the maturity of his pension. The employer, for instance, might discontinue operations. A mine might run out of ore or wood operations might discontinue. I have heard of this happening in the north country, and there are other reasons why an employee may have to discontinue his service before he can qualify for a pension.

Quite often there are medical reasons beyond his control. Skin and other allergies can be caused by certain chemicals in the plant where he works and may make life miserable for him. In other cases certain gases and poisons are present which affect him and make him unable to continue work. Such an employee is not sick in the sense that he is confined to bed, but in some plants he cannot qualify for a partial pension like others who are sick suffering from, say, a heart disease or arterial disease.

Further, I believe a workman should be allowed to change his job because of family reasons, and these embrace the education of his family. I do not think he should be wedded to one job in one location all his life unless he wants to be.

In my experience most plants in the Niagara district have been very fair with their workmen and have treated them fairly when, for some reason or other, they have had to discontinue work before the maturity of their pensions. I know of other cases in Canada which I could name, but I do not want to, where employees have not got very good consideration in this respect, and I even know of one or two employees who missed out on their pensions by just two or three months or so. In such a case an employee would stand to lose a lot of money. A man aged 65, with the life expectancy that he has at that age, would lose, on just missing out on a pension of $100 a month, around $11,000 or $12,000, I believe.

The purpose of this motion is not to make our working force a transient population. I think most of our people are satisfied with their work, and this would not make much difference to them. But I am proposing this resolution to help those who must move for one reason or another. I think the whole working force should have some vesting rights in their pension before they have to work for too many years. The earlier vesting would help the older worker. We all know that a man of 45 or over, or even younger, has difficulty getting work at different plants because of their pension plans. I think this would help these people to obtain work at certain plants because they would be bringing certain funds with them which would add to their new pension fund. I know that we have no power in this house to legislate in connection with pensions, but we do have the power to give exemptions in respect of income tax on contributions to pension plans. I think this could easily be worked under the Income Tax Act.

I have not attempted to define the words "reasonably early" because I think other hon. members will have different ideas as to what they mean. As I said earlier, Mr. Speaker, the ideal arrangement would be to have vesting from the first day of work, if it was on a national scale. But I realize that with the plans such as we have in Canada at the present time we must have a definite minimum length of time. I would say that five to ten years would be infinitely better than what we have at the moment because now, as I said before, a man has to serve right up to the date of maturity in most cases. A bill based on this resolution would not allow a workman to get his hands on his pension money early. At the present time he does get his hands on his pension money; that is to say, on his own contributions when he quits work at a plant. A bill based on this resolution

would prevent that, and I think it would help all our working people to build up a reserve for their years of retirement.

(Translation):

Mr. Heward Grafftey (Brome-Missisquoi): First, I wish to point out that the question concerns not only the members of this house, but also the employers and employees.

It has surely been considered by Canadian unions for a number of years. I am satisfied that these discussions will be beneficial.

(Text):

Mr. Speaker, with other hon. members I feel I should thank the hon. member opposite for bringing to the attention of the house in this resolution a subject of great importance. If my memory serves me correctly, it is a subject which has very seriously occupied the attention of our union leaders in latter years and it is naturally a subject which deeply interests both employers and employees in our country. I think all members of the house, no matter what party they support, would have to see much merit in many of the points raised by the hon. member from Welland who has just spoken. It is obvious that the particular cases he has put before us deserve much consideration and attention. I would, sir, at this time, very briefly—because I do not think this subject can be discussed in a vacuum apart from considerations of portable pensions—like again to put on the record a portion of the speech from the throne. It contained this paragraph:

> As pensions plans have become ever more widely extended in Canadian business, it has been increasingly recognized that measures are essential to protect the interests of those affected and in particular to ensure that the benefits earned are portable when workers move from job to job. Provincial legislation would be required for this purpose in most cases, and several provinces are considering proposals of this nature.

In terminating, this paragraph goes on to say:

> My government will be prepared to place before you complementary legislation to deal with industries under federal jurisdiction when adequate progress has been made by provinces.

Mr. Speaker, I think those words should again be put on the record just to remind all hon. members, and in particular the hon. member who has just spoken that most certainly the government is well aware of this problem. I have already said that there is much merit in what the hon. member has said. Without discussing the actual merits of the substantive part of the subject on either side, I feel there are some facts that should be put on the record. Between 1942 and 1956, with regard to the various pension plans that had to be registered with the Department of National Revenue vesting rights were a requirement before the plans were duly and properly registered. In 1956 by administrative rule, the Department of National Revenue changed its attitude in relation to the necessity of vesting rights and I can only say that the present government by and large has carried on this trend. There is another consideration involved here. It is simply whether —and I am not entering into the merits of either side of this discussion—the government by taxation measures should actually enter into the pension field in this way. I personally am not saying whether they should at the present time, but I think all hon. members who are vitally interested in this extremely important subject have heard this point raised time and time again; that is—I repeat—whether the government by taxation means or methods should influence pension schemes in this manner.

Apart from this brief reference to the historical aspects of the subject, I feel I should at this time put on record some interesting facts which were made public after a dominion bureau of statistics survey in 1960. I must say I am not sure whether the employer plans I am about to mention were those registered with the Department of National Revenue or whether they include other plans. I want to qualify what I say to that extent. But out of 8,920 employer plans surveyed by the d.b.s., 330 of those plans had absolutely no vesting requirement. I should also mention the fact that though only 330 of the plans had no vesting requirements they covered 31 per cent of the employees involved. On the other hand, 2,612 had immediate vesting rights but only 4.7 per cent of the employees were involved in that figure.

Mr. Baldwin: Is that for Ontario or all Canada?

Mr. Grafftey: Canada. To continue, 2,925 of the plans covered 41 per cent of the employees. Herein rights are made dependant on the length of service. Half the requirements were ten years and over while the other half involved more than ten years.

I do not wish to take up the time of the house by giving too many statistics, but I hope that for the purpose of this important discussion these d.b.s. figures will be of use in the debate. Let me close simply by saying that the speech from the throne in the paragraph I have mentioned relating to portable pensions does demonstrate that the government is aware of this problem, a problem which, as I said before, affects both employers and employees. I might add that the hon. gentleman opposite, speaking from his vast experience, placed the human aspect of this matter particularly well before the house. I have put before hon. members the fact that while between 1946 and 1955, or 1956, vesting rights were required, this approach was

changed in 1956 and the present government is more or less carrying on in the same way. I would once again stress the fact that this is an important debate from the viewpoint of employer-employee relations. I think there has been much discussion of this subject both in union circles, among the rank and file, and among union leaders, for obvious reasons, and I can only hope that the discussion in which the house is now engaged will produce many useful suggestions.

Mr. M. W. Martin (Timmins): It is not my intention to speak for very long on this subject, for two reasons. First, I imagine a number of hon. members would like to speak on this motion and, in the second place, I should like very much to see the resolution come to a vote today.

I should like to compliment the hon. member for Welland (Mr. McMillan) on proposing this resolution. I think it is a good step in the right direction. I do not think it is any solution to the problem, nor do I believe the hon. member really thinks it is a permanent solution. But, as he has mentioned, it is a step which can be taken now by the present government, not something which might be done at some time in the distant future. I approve of it, particularly because I think it puts the idea of pensions on a proper basis.

I do not think that has always been the case in this country. I think pensions have been used in a number of different ways until they are no longer what they were supposed to be, namely a means of providing an income for employees when they reach pensionable age. We have, for example, what we see offered by so many assurance companies. In order to sell these pension plans they combine them and make a glorified savings plan out of them. At one time or another an employee may want to withdraw his savings, or he may be rooked out of them, and then the pension he has supposedly been building up all his life no longer exists. We have seen pension plans used as an excuse not to hire people after they have reached the age of 40. We had a case of a distinguished member of my constituency who applied for a job. He got a nice letter back saying that he was qualified in every respect; in fact, he was the best qualified man who had applied for the position. But because he had reached the age of 40 he could not qualify for the pension plan of this company and, therefore, his application was turned down. We have seen pension plans used to keep employees tied to a job. That, I think, is not the proper function of a pension plan. We have even seen pension plans used as a recruiting device for trade union membership. With all due respect to these trade unions I maintain that this, too, is not the proper function of a pension plan.

The result of all these procedures in the past is that there are two groups who suffer. The first consists of the employees affected, those who, as I have said, run the risk of seeing the pensions they were supposed to be building up over the years frittered away. The other is, of course, John Q. Public who pays the taxes and has to pick up the tab for welfare in respect of people who could have been provided with good pensions if we had a real pension plan rather than the hodgepodge of plans which are in existence across the country today.

I am pleased to see that at least one province finally appears to be taking some real steps in this direction. For years we have seen the federal government and the provincial governments passing the ball back and forth, each waiting for the other to make the first move. I noticed in the *Star*, I believe it was, of last Saturday an article by Mr. Dick Snell who writes:

> When Ontario passes its portable pension act during the current session of the legislature it will be blazing a trail in Canada for this social security measure.
>
> In the speech from the throne which opened the session two weeks ago the government indicated it will go ahead with an Ontario plan—under study since 1960—which means it has given up hope Ottawa will bring in a national plan at this time.

The parliamentary secretary has referred to the speech from the throne in which, once again, this matter was mentioned. Unfortunately, as we know from past experience, a mention in the speech from the throne may not develop into action. I do not know whether the writer I have just quoted was giving an accurate report of what the Ontario government feels about the federal government. I would prefer to hope that this government really means what it says and intends to take constructive steps along this line. I notice that the Ontario government has passed, effective from the first of the year, a measure making pension plans portable as far as municipal employees in the province are concerned.

As the hon. member for Welland mentioned, while this is a welcome step, in fact the first real step in the right direction, it is no answer to the problem. If we have a portable pension plan within the confines of the province, it does not meet the need of Canadian citizens as a whole. Although there are other hon. members who want to make points on this question, I will be brief in the hope that this resolution will come to a vote and will be passed on to the government for its consideration. All I would say is that if the federal government will at this time take even

this small measure, it will demonstrate to all and sundry that it means business as far as proceeding with the question of portable pensions. I think that in this regard this resolution can be recommended to the house, and I hope that action will be taken upon it.

Mr. J. C. McNulty (Lincoln): Mr. Speaker, the motion proposed by the hon. member for Welland suggests action which would be of benefit to all classes of workers. It would not be the be-all and end-all which we might expect from full legislation, but I think it would bring about the immediate remedial benefit which is needed at the present time. I realize that the parliamentary secretary has said that the government is aware of this problem; but as the hon. member for Timmins pointed out, if it is aware of the problem then possibly it will accept this motion and implement it so that some immediate action can be taken to help our workers in Canada. They are the ones who are most maligned in respect of the portability of pensions and the vesting rights of employees.

During this past year we have had some incidents of this problem in my riding. English Electric Company of Canada closed its St. Catharines plant and over 300 heads of families were left without employment. Many of these people are still unemployed, and the prime reason given by many industries in the area for not employing some of these people was that they were too old to fit into their pension plans. The companies could not take a chance with those who sought employment and felt that company pension plans could not be extended to them. The Foster-Wheeler plant closed their processing division, and the same thing happened with them. Many of these people were skilled employees who had put in anywhere from 15 to 18 years with the company. All they were able to get from the funds they had put in to provide for their security in retirement years was the exact amount of money they had contributed. In endeavouring to seek new employment they were at a loss, even though they were specialists in their type of work. Very few companies wished to hire them because of their age and their inability to fit in with company pension plans. The Canadian National Railways at St. Catharines terminated its bus transportation franchise in 1960 and all their employees endeavoured by all legal means to have the pension funds which they had built up transferred to the municipality of St. Catharines so that they could continue with some possibility of security in their retirement years. This was not possible and they had to become employees of the city of St. Catharines transit commission and start all over again. Despite the number of years these people had worked for the C.N.R., they will not be able to provide adequately for their retirement years. This means for example that their families will not be provided with proper educational benefits. As the hon. member for Timmins pointed out, this motion is not intended to cover all the factors, but it will provide the government with a chance to show that it really is aware of the problem facing workers today, and of the need for portability of pensions.

Mr. H. F. Jones (Parliamentary Secretary to the Minister of Veterans Affairs): Mr. Speaker, every one of the speakers in this debate has testified to the importance of this resolution, and I certainly agree with them. This is a most important resolution, and we must look carefully at it. I want to say how much I appreciate the interest in this question shown by the hon. member for Welland (Mr. McMillan). However, I point out that he stated explicitly during the course of his remarks that portable pensions are a matter for provincial governments. This is clearly set out in the British North America Act under section 92 which relates to property and civil rights. Old age pensions generally, so far as they might be affected by this matter, are provided for in section 94. I do not think I need refer further to it, except to point out that there is perhaps an analogy here. Section 94A says:

> It is hereby declared that the parliament of Canada may from time to time make laws in relation to old age pensions in Canada, but no law made by the parliament of Canada in relation to old age pensions shall affect the operation of any law present or future of a provincial legislature in relation to old age pensions.

I submit that those provisions were put into the B.N.A. Act because there was a clear recognition of the fact that matters such as pensions—all pensions—are within the field of provincial jurisdiction. They are a matter to be decided by the provinces. The recognition of this problem is clearly demonstrated in the speech from the throne presented by this government to this parliament. I refer to page 9 of *Hansard*, where the speech from the throne states:

> As pension plans have become ever more widely extended in Canadian business, it has been increasingly recognized that measures are essential to protect the interests of those affected and in particular to ensure that the benefits earned are portable when workers move from job to job.

Then I would underline this sentence.

> Provincial legislation would be required for this purpose in most cases—

That is in all cases except those which come specifically under federal jurisdiction.

Mr. Byrne: Would the hon. gentleman permit a question?

Mr. Jones: Would the hon. member mind if I finished my quotation? The speech from the throne continues:

—and several provinces are considering proposals of this nature. My government will be prepared to place before you complementary legislation to deal with industries under federal jurisdiction when adequate progress has been made by provinces.

The point has been stated, indeed admitted, by the hon. member for Welland—and it is clearly demonstrated by the citations I have given—that portable pensions are a matter for the provinces. They are a matter of provincial rights. The hon. member for Welland said that this resolution is to help bring about or force portability of pensions in the provinces. In other words, Mr. Speaker, it is an attempt to do indirectly what the parliament of Canada cannot do directly. It is an attempt to subvert the constitution.

Can you imagine the situation, Mr. Speaker, if we were to agree to a resolution such as this whereby the federal government could use taxing measures to force the people in the provinces to disobey provincial laws? If we were to use taxing measures in order to force the people in the provinces to act in conformity with federal thinking, whether those actions were matters relating to the provinces under the constitution or whether they were matters relating to the possibilities of the federal government, this would be a clear invasion of provincial rights. It is an insidious sort of invasion and I am sure the hon. member for Welland did not intend that. As the course of this debate develops, I am sure my friend the hon. member for Edmonton-Strathcona (Mr. Nugent) who is an expert on constitutional matters, and my friend the hon. member for Peace River (Mr. Baldwin), who is highly qualified in this regard, may develop further this particular point. However, I would draw it to the attention of the house that it would be most unfortunate if this business of portable pensions were to become muddied up and involved in a conflict between the provinces and the federal government. This is something which I think all hon. members would wish to avoid. It has been the course of the Conservative government to try to advance the cause of portable pensions.

References were made to this matter earlier, I think a year or so ago, in his budget by the then minister of finance, the present Minister of Justice. Again, it is referred to in the speech from the throne of this year. Always the emphasis has been on co-operation with the provinces in order to bring about the objective of portability which eventually will bring about so much good to the people of this country. The matter of portable pensions is something of which I think we can say all hon. members in all parts of the house are in favour. A few moments ago the hon. member for Vancouver East wished to ask a question. I must apologize to him for asking his permission to finish that portion of my remarks before accepting it. Perhaps he might ask the question now, if he so desires.

Mr. Byrne: I thank the hon. member for Saskatoon for his consideration, Mr. Chairman. I am wondering whether the hon. member has actually read the resolution. If so, would he not see that this resolution with respect to the Income Tax Act is asking for a regulation which was in effect up until 1957 or 1958, as I recall it.

Mr. Jones: No. The resolution here is quite a different thing from the one mentioned by the hon. member for Kootenay East. What the resolution says is this—and I will quote it right now so that he may have the advantage of studying it with us while we are discussing this particular point. The resolution states as follows:

That, in the opinion of this house, the government should consider the advisability of encouraging reasonable early vesting of pension rights of employees—

How?

—by disallowing in whole or in part the employer's claims for a reduction of the expenses of pensions for income tax purposes where reasonable vesting provisions are not adopted.

In others words, this is an invasion of the rights of the provinces by the federal government through the back door of the Income Tax Act. This is the point I am making. This is the thing we must avoid. We must avoid the invasion of provincial rights. I think all hon. members in this house will join with me when they come to realize the danger there is in this sort of resolution, particularly all those who are sincerely interested in advancing the cause of portable pensions.

It is not my intention, Mr. Chairman, to go much further into this particular matter. However, I wished to point out some of the problems which have been raised incidentally by the hon. member for Welland who, I am sure, enjoys the respect of all members of the House of Commons. However, he gets led into a situation and it is a rather dictatorial one. He said that a bill based on this resolution would not allow a workman to get his hands on his pension money. Although he said that, I am sure he could not possibly have meant it. I do not think this house or any other legislature should dictate to workmen what they shall do with their own

money. That is their business. Any relationships they may be able to work out with their employers over pensions is a matter of business, too.

Mr. McMillan: Mr. Chairman, what I said was "get his hands on his pension money early", as he does now if he quits after two or three years. I did not mean that he would never get his hands on his pension money.

Mr. Jones: This is the point. I would think that one of the rights which all people assert is the right to do with their own what they wish to do, so long as it does not hurt somebody else. Therefore, if in their wisdom they decide they wish to get their hands on their pension money, that is their decision, unless they enter into some sort of arrangement with the employer which by agreement, either individually or through their unions, precludes them from doing this. Surely it is fundamental, Mr. Chairman, that we should not start legislating in order to force things down other people's throats if they themselves do not want them. To take such a course is the essence of the over protective socialist state. We have already had so many examples in so many parts of the world of the stultifying effect of this state paternalism that I am sure the hon. member for Welland, on reflection, would wish to avoid that course.

I know there are many others who wish to enter into this debate. I will therefore close my remarks at this stage, hoping that the hon. members who follow me will be able to deal further and more extensively than I have done with this particular problem of the invasion of provincial rights.

Mr. Benidickson: My point is only a question. The hon. member who has just taken his seat indicated that he did not wish to accept a question during his major remarks. However, I thought the important part of his remarks was that in which he suggested that responsibility for portability of pensions related to provincial jurisdiction. As he was the first speaker representing the government after the resolution was introduced by my friend the hon. member for Welland, may I ask him this question. What would his remarks be with respect to the portability of pensions either interprovincially or internationally?

Mr. Jones: May I say, Mr. Chairman, that there are a number of incidental and quite unimportant assumptions here. One was that I was the first government speaker following the mover of this resolution. Of course, that is not so. However, that has nothing to do with the point at issue. The question of whether pensions are portable internationally takes us no further at all on this question of unconstitutionality. Once you establish pensions on a basis of agreement with the provinces so that the constitution is not infringed, it can then become a question of relationship between the governments involved in passing enabling legislation to deal with international portability of pensions. This matter does not pose a major problem at all. The problem we face at the moment with regard to the question of the portability of pensions is that of getting rapport between the provinces and the federal government on the best means to follow in obtaining portability of pensions, by combining their legislative powers and by passing enabling legislation, as has been suggested in the speech from the throne and on other occasions by ministers of this government.

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I too wish to compliment the hon. member for Welland for his tenacity in bringing this matter forward again. I know that for quite a number of years, going back I think, as far as 1956, the hon. member together with myself and other members raised this question in the interests of those receiving pensions not on a contributory basis. The history of this matter goes back as far as 1953 when the international union of mine, mill and smelter workers first took it up in a serious way in an endeavour to make industrial pensions more portable. They were frustrated in their efforts to negotiate, particularly because the large industries maintained that with respect to non-contributory pension plans the employee had no claim on the pension until he reached retirement age.

That union went into the matter quite thoroughly and unearthed the government blue book containing regulations with respect to income tax. They found that there was a regulation in the blue book which, among other things, provided that in order for a pension plan to be accepted by the income tax authorities certain vesting rights should rest with the employee. I might say that this regulation was not enforced in the case of non-contributory pension plans.

The union pressed its case year after year with the assistance of the hon. member for Welland and other members in the house and some industries finally recognized the force of their argument. I know this is true in the case of the Consolidated Mining and Smelting Company. Up to that time they had refused adamantly even to discuss the matter of vesting any rights of employees in their pension plan which, as I have said, was non-contributory. Following a great deal of negotiation and pressure by the union officials, although they actually had no authority to discuss the matter, the company finally saw that this was a very justifiable request and

in June of 1958 the bylaws of the pension plan were amended to provide that an employee who had served for 20 years and had reached the age of 50 would have his rights preserved in the plan. As I have said, this was a move that was made under pressure from people such as the hon. member for Welland and others.

An hon. Member: And the government.

Mr. Byrne: The hon. member says "and the government". I have not been informed of any great action on the part of the government. I inquired why this change came about so suddenly and I found that there was no action on the part of the government. As a matter of fact, the present government withdrew the blue book from circulation. The hon. member cannot take any credit for the government whatsoever. It was the pressure exerted by the union and by members in the opposition who brought this matter forward from time to time. While I agree with the hon. member for Saskatoon (Mr. Jones) that this is not the answer, it is something that the federal government can and did do for years and could have continued to do on the basis of their authority to make regulations under the Income Tax Act. This is not an invasion of provincial rights. Let us not have any of that small talk.

As was pointed out by the hon. member for Welland, people age, become ill and for various reasons need to leave their employment. Certainly it is only right that they should have a vesting interest in their pension plan. What has happened so far is the thin edge of the wedge and something has been accomplished. Let us give the hon. member for Welland full credit for what he has done in the past and let us vote on this motion now and pass it.

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, if we were going to vote on this motion I am afraid I would find myself unable to vote in favour of it. On reading the resolution the first thought that occurred to my mind was that the Income Tax Act can be used as a quite powerful weapon. The suggestion here is that the weapon of disallowing pension contributions in whole or in part as an expense item be used if there is not reasonably early vesting of the pension rights of employees. This sounds to me like pushing somebody pretty hard, and I wonder whether the hon. member who moved the motion has really considered what he is doing here. The resolution is broad enough to cover contributory pension plans where the union and the employer have come together and have made an agreement between them as to when the pension plan will vest. As a result there is vesting according to their agreemnt.

The resolution suggests that the federal government will have to set up a body which would be responsible for deciding when pensions should vest, and what schemes they thought were suitable and werer regarded by them as vesting early enough. The government point of view would then be imposed on those companies in substitution for the point of view agreed on by the employer and the employees.

I am afraid there is not time to go into many of the considerations that an employer has to take into account when he is setting up a plan to cover people who are going to be working for a long time. There are many good and pressing reasons why he wants to encourage the employee as much as possible to stay a long time with the company. Six o'clock, Mr. Speaker.

Mr. Speaker: It being six o'clock, the hour appointed for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Benidickson: I simply wish to ask the house leader, having regard to what he said at the conclusion of debate last night to the effect that certain consultations might take place today between leaders of the various parties, whether he could announce in a straightforward way the program of the house between now and the possible Christmas adjournment?

Mr. Churchill: We had certain consultations today and we will have another meeting tomorrow. The items we would like to consider tomorrow are interim supply and, if that is concluded, item No. 20 on today's order paper, the resolution in the name of the Minister of Finance dealing with the Federal-Provincial Fiscal Arrangements Act. That would be followed by the item dealing with the national economic development board, which is Bill No. C-87. I think it is likely that that amount of business would carry us through Thursday and Friday; but certainly it will do for tomorrow.

Mr. Speaker: It now being six o'clock this house stands adjourned until 2.30 o'clock tomorrow afternoon.

It being three minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, December 13, 1962

The house met at 2.30 p.m.

SIR WINSTON CHURCHILL

REPLY TO FELICITATIONS ON 88TH BIRTHDAY ANNIVERSARY

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, following the passage of the motion of this house congratulating Sir Winston Churchill on the occasion of his 88th birthday anniversary, I forwarded to him the motion which was passed by the house as well as a copy of the *Hansard* in question. I now have received from him the following letter:

My dear Prime Minister:

I am deeply obliged to you for your letter of December 1 which I received today. The honour which the Canadian House of Commons has accorded me means much to me and to my family. I should be glad if you would convey to the house my warm thanks and my profound and affectionate respect.

Yours very sincerely,

Winston S. Churchill

Some hon. Members: Hear, hear.

GRAIN

BARLEY—ANNOUNCEMENT OF FINAL PAYMENT ON 1961-62 POOL

Hon. Alvin Hamilton (Minister of Agriculture): I have a statement to make to the house with regard to the 1961-62 barley pool.

The 1961-62 barley pool has now been closed and the government has authorized the distribution of the final surplus on producers' deliveries of 56,372,547.9 bushels. The final surplus is $17,037,035.43. After deducting the Prairie Farm Assistance Act levy and final payment costs, and after adding estimated additional interest earnings, the final payment on the 1961-62 barley account will average 30.2 cents per bushel. This compares with an average final payment of 8.4 cents per bushel in the case of the 1960-61 pool.

The final payments for the principal grades of barley delivered to the 1961-62 pool are as follows:

Grade	Cents per bushel
No. 2 Canada western six row	31.725
No. 3 Canada western six row	31.725
No. 2 Canada western two row	36.675
No. 3 Canada western two row	34.324
No. 1 feed	28.879
No. 2 feed	31.849
No. 3 feed	35.809

The first cheques with respect to this pool will be issued shortly following this announcement.

Mr. Hazen Argue (Assiniboia): Mr. Speaker, the announcement which has just been made by the Minister of Agriculture might well have been anticipated at about this time. The announcement that a payment on barley averaging 30.2 cents per bushel is about to be made by the Canadian wheat board indicates a payment considerably higher than the final payment that has been made in recent years. However, it is also a higher payment on a much smaller quantity of barley than is customary. This, of course, reflects the fact that the crop last year was very small, and with a small supply and a good demand the selling prices of the wheat board were higher than in recent years. The farmers of western Canada await with much greater anticipation the announcement of a final payment—interim and/or final; I would hope the whole works, because it belongs to the farmers—on the 1961-62 wheat crop.

Mr. Horace A. Olson (Medicine Hat): Mr. Speaker, all I wish to say is that we in this party welcome this announcement which has been made, and I am sure the barley producers of Canada will appreciate their cheques as soon as possible.

WHEAT—INQUIRY AS TO FINAL PAYMENT ON 1961 CROP

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I wonder whether I could ask the Minister of Agriculture when the farmers of western Canada may expect an announcement on the final wheat payment for the 1961-62 crop year. I think they are expecting an announcement shortly.

Inquiries of the Ministry

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I think I explained to the house once before that the usual time to make this payment is about the month of July. As this is the month of December and we have seven more months to wait, I would expect the announcement to be made some time between Christmas and next July.

Mr. Argue: A supplementary question. Since the announcement of the last payment was made in February of this year, not July, after selling the crop for a nine month period, I wonder whether we could have another nine month selling period in order that the farmers may be paid now?

Mr. Hamilton: Mr. Speaker, I am constantly being surprised and appalled by the ignorance of the hon. member for Assiniboia.

Mr. Speaker: Order. Both the supplementary and the answer I think are way off base.

POWER

COLUMBIA RIVER—REPORTED DEADLINE FOR AGREEMENT OF BRITISH COLUMBIA

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether he is in a position to comment on a report that the government had set a deadline for the agreement of the province of British Columbia to the Columbia development treaty as now formulated.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I am unaware of the item in question, but I can say that no deadline has been set.

EXTERNAL AFFAIRS

MEETING OF JAPANESE-CANADIAN MINISTERIAL COMMITTEE

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Prime Minister. In the light of the agreement made between the Prime Minister and the premier of Japan last June for a Japanese-Canadian ministerial committee, can the Prime Minister tell the house what is holding up the first meeting of this committee?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, nothing is holding up the first meeting. Consideration has been given to this question, the determination of which depends on meeting and accommodating both sides. My hope is that it will be possible for such a meeting to be held in the month of January.

[Mr. Argue.]

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask a supplementary question. Is it not a fact that the government has advised the government of Japan that the reason for Canadian ministers not meeting their opposite numbers in Japan is that the government feels that its position in this house is very insecure?

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Mr. Diefenbaker: Mr. Speaker, if I suffered from the same insecurity and frustration as does the hon. gentleman, I would agree with the question he asked.

TRADE

ATTENDANCE OF MINISTER AT INTERPROVINCIAL CONFERENCE IN TORONTO

On the orders of the day:

Mr. Walter L. Gordon (Davenport): Mr. Speaker, I should like to ask a question of the Minister of Trade and Commerce. Has the minister been invited to the interprovincial conference on trade which his friend Mr. Macaulay has called in Toronto for January 14?

Hon. George H. Hees (Minister of Trade and Commerce): Yes, Mr. Speaker.

MILAN—INQUIRY AS TO OPENING OF COMMERCIAL OFFICE

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I have a question for the Minister of Trade and Commerce, notice of which has been sent to him. Has the minister given up the intention of opening a commercial office in the important centre of Milan, Italy? If not, when does he intend to proceed with the establishment of such an office?

Hon. George H. Hees (Minister of Trade and Commerce): Yes, Mr. Speaker; we shall be opening a trade centre in the beautiful, attractive and important trade centre of Milan next year.

(Translation):

DESTINATION OF CANADIAN WHEAT SOLD TO RED CHINA

On the orders of the day:

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to put a question to the Prime Minister. I must say right away that even though I shall refer to a press report, I am not asking him to make any comments about it, but simply to answer the question arising from that report published in the Toronto *Globe and Mail* of November 16, 1962, and which reads as follows:

(Text):

The Danish ambassador said this:

Not a grain of Canadian wheat has ever reached the starving masses of China. If the average Canadian only knew what ruthless purposes Canada's wheat shipments to Peking were serving, I doubt if a single shipment would have been allowed to go through,—

(Translation):

A little further, the article goes on to say:

(Text):

All of us western ambassadors in Peking made nearly identical reports to our respective governments—

(Translation):

Mr. Speaker: Order. The hon. member might put his question now.

Mr. Chapdelaine: Has the Canadian government been informed by countries of the western bloc—

(Text):

Has the Prime Minister been told by members of the western bloc that the wheat we sell to communist China does not serve the purposes that it should serve?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think that question has to do with a news item which appeared as far back as November 16. However, in view of the question asked me may I say this. My recollection is that the person in question who allegedly made the statement subsequently stated that he had in fact not made that statement. In so far as the direct question is concerned may I say that no such suggestion has come from any member among the western nations.

Mr. J. E. Walker (York Centre): Mr. Speaker, may I ask a supplementary question. I wonder whether the Prime Minister could tell us what percentage of the wheat that was sold to China reached mainland China.

Mr. Speaker: Order. I think the hon. member will recognize the fact that this is information which it is quite impossible to have at hand.

BUSINESS OF THE HOUSE

INQUIRY AS TO LEGISLATION RESPECTING REDISTRIBUTION COMMISSION

On the orders of the day:

Mr. Jack Roxburgh (Norfolk): I should like to direct my question to the Prime Minister, Mr. Speaker. When can we expect the government to introduce the bill on the redistribution of electoral districts, under a non-partisan commission, as promised on September 27 in the speech from the throne?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I can only say that with the rate of progress up to the present time it will not be at an early date.

INQUIRY OF THE MINISTRY

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, in congratulating the Prime Minister on the gift of a pair of snowshoes made to him by his party yesterday—

An hon. Member: Igloo to igloo.

Mr. Pearson: —may I ask him if he does not think that a pair of running shoes would have been more appropriate?

Some hon. Members: Hear, hear.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, on every occasion that I have been in competition with the opposition I have been able to outrun them.

Some hon. Members: Hear, hear.

Mr. Speaker: Order. I recognize the hon. member for Winnipeg North Centre. While I appreciate the spirit in which certain questions have been offered and answered, perhaps we can come back to orders of the day.

OLD AGE PENSIONS

SUGGESTED INCREASES PENDING CONTRIBUTORY PENSION LEGISLATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Since it now seems unlikely, for reasons that are well known, that there will be any action at this session on the proposal to amend the British North America Act with respect to contributory old age pensions, will the government consider amending the Old Age Security Act and the Old Age Assistance Act to provide increases in the pensions given under those pieces of legislation?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I know the hon. gentleman does not expect an answer to that question. When government policy is available for announcement it will be placed before the house.

THE MINISTRY

INQUIRY AS TO RETURN OF EXTERNAL AFFAIRS AND PUBLIC WORKS MINISTERS

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I should like to direct a question to the Prime Minister. Can the Prime Minister tell the house when the Secretary of State for External Affairs and the Minister of Public Works will be back in the house

so that those of us who wish to discuss the calamitous Columbia river treaty can do so in their presence?

Mr. Speaker: Order. The hon. member knows that the use of certain terms or the expression of opinions within questions is strictly against standing order 39.

[*Later:*]

Mr. Byrne: Mr. Speaker, I should like to withdraw the adjective which was found offensive, and redirect my question to the Prime Minister. Could he let us know when either one of the two ministers referred to will be back in the house?

Right Hon. J. G. Diefenbaker (Prime Minister): I can only say that so far as the Secretary of State for External Affairs is concerned, he is always absent from the house when attending a NATO ministerial meeting. This has been so throughout the years. He will be back upon the conclusion of the meeting. In so far as the Minister of Public Works is concerned, I am surprised that he is absent from his seat today, but no doubt he is on official business.

FISHERIES

DISCUSSION OF RECOMMENDATIONS RESPECTING JAPANESE FISHING IN NORTH PACIFIC

On the orders of the day:

Mr. Arthur Laing (Vancouver South): I should like to address a question to the Minister of Fisheries. Can he assure the house now that before approval is given the recommendations of the north Pacific fisheries commission in respect of permission for Japanese fishermen to fish in Canadian waters, this matter will be submitted to the house for debate?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, there is no question of allowing Japanese fishermen to fish anywhere in Canadian waters. The recommendations of the north Pacific fisheries commission are now before the government for study, and at a future date a statement will be made.

CANADIAN CENTENNIAL

SUGGESTED PURCHASE OF "THE BOUNTY"

On the orders of the day:

Mr. B. S. Mackasey (Verdun): Mr. Speaker, my question is addressed to the Prime Minister. In view of reports that the New York world's fair authorities are contemplating the purchase of the Nova Scotia built vessel *The Bounty*, would the government recommend to the national centennial commission the immediate purchase of this vessel as an exhibit of shipbuilding craftsmanship representing part of Nova Scotia's contribution to Canada's history?

Mr. Speaker: Order. The hon. member has made his representations, and I think he will recognize that if he wants to put such a question it should appear on the order paper.

NORTHERN AFFAIRS

WHITEHORSE—EMERGENCY SHELTER FOR FLOOD VICTIMS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, would the Minister of Northern Affairs and National Resources inform the house whether he is taking or has taken any measures to alleviate the hardship being caused to persons who have been forcibly evicted from their homes as a result of flood conditions in Whitehorse?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, as soon as I noticed the account of this flooding in the press I got in touch with the territorial government, and I am assured that they have already taken action to provide emergency shelter for these unfortunate people.

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR STATEMENT ON SECURITY INVESTIGATION IN UNIVERSITIES

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, on Tuesday I asked the Minister of Justice whether the R.C.M.P. were interviewing students and faculty members of Canadian universities to obtain information regarding political activities by other students and faculty members. On Tuesday the minister did not really have an adequate opportunity to answer the question. I raise the matter today in order to accommodate the minister and ask him if he will give the house an answer.

Mr. Speaker: Order. With the greatest respect to the hon. member, I do not believe that is a proper question for orders of the day. It is not of the necessary importance that it be answered on orders of the day.

[*Later:*]

Mr. T. C. Douglas (Burnaby-Coquitlam): I rise on a point of order, Mr. Speaker in connection with the question asked by the hon. member for Vancouver-Burrard. Surely if there is any truth in the statement that

R.C.M.P. officers are questioning faculty members and students with regard to the political activities of others, that is a question which ought to be answered on orders of the day. There is no other opportunity to deal with the matter. If the Minister of Justice does not want to answer, that is his prerogative. It seems to me it is a proper question to be asked on orders of the day, since I submit it affects the rights and liberties of the citizens of this country.

Mr. Speaker: Perhaps the hon. member will bear in mind that this question was raised following an editorial in a certain newspaper, and was an allegation made by a certain individual. According to the procedure of the house there is a certain item of business coming up when questioning can be advanced and the whole matter gone into if need be. I submit to the hon. member that orders of the day is not a time when every subject can be canvassed. Requests are made for information at this time when it is not possible to get that information through the regular channels within a reasonable time. That is the ruling I have made, and that is the prerogative of the Chair in this regard.

Mr. Douglas: Mr. Speaker, I would point out that the question was asked last Monday, and the minister has had ample opportunity to ascertain whether the statement is correct.

Mr. Speaker: Order. That does not change the principle.

Mr. Berger: With great respect, Mr. Speaker, may I suggest that Your Honour is proceeding under a misapprehension. I did not ask the question on the basis of newspaper reports, but rather on the basis of confidential communications. I suggest with great respect that the urgency of the matter arises because the ministry is declining to give the house an answer to which it is entitled.

Mr. Speaker: Order. I think if the hon. member will reflect upon it, if we proceed from orders of the day there is a certain item of business that may be called; and while I am not suggesting what he should do, I think he will understand the rules well enough to know that he can discuss the matter then.

[*Later:*]

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I was going to ask the Minister of Justice whether he could assure the house that all members of the R.C.M.P. had been furnished with copies of the bill of rights.

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I am sure this must impress the house as a very urgent question to be asked on the orders of the day. I am also sure the R.C.M.P. are better informed on that subject than the hon. member for Bonavista-Twillingate.

(Translation):

AGRICULTURE

DAIRY PRODUCTS—IMPORTATION OF ICE CREAM FROM ENGLAND

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, my question is directed to the Minister of Agriculture.

Will the 30 tons of ice cream which were imported from England and reached the port of Montreal last week help the government to remove the subsidies on dairy products?

Mr. Speaker: I feel sure the hon. member will admit that it would be more suitable for his question to be put on the order paper.

Mr. Robert Beaule (Quebec East): Mr. Speaker, I rise on a point of order—

Mr. Speaker: On a point of order?

Mr. Beaule: Yes, Mr. Speaker. I rise on a point of order concerning the question asked by the hon. member for Bellechasse (Mr. Dumont). Is it not just as important as the one asked by the Leader of the Opposition (Mr. Pearson) when he referred to snowshoes and skates?

Mr. Speaker: I do not believe the hon. member can question the Chair's ruling. I do not believe the hon. member can rise when the Chair has given a ruling on certain questions.

(Text):

AIRPORTS

DOWNSVIEW, TORONTO—USE OF R.C.A.F. STATION BY COMMERCIAL PLANES

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Minister of Transport if he can inform the house why the short runways of the Downsview R.C.A.F. station are being used to land T.C.A. commercial jet liners, and for how long this practice will be continued.

Mr. Speaker: Order. I think that question should go on the order paper.

PUBLIC SERVICE

RECOMMENDATIONS FOR SALARY INCREASES NOT ACTED UPON

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Finance. Are

Inquiries of the Ministry

there any categories of civil servants for which the civil service commission recommended pay increases which were not given increases in the announcement made last Monday?

Hon. George C. Nowlan (Minister of Finance): I am not certain of the details of the recommendations, Mr. Speaker. I will have to check on that matter and advise the house later.

(Translation):

PRIVILEGE

MR. CAOUETTE—REFERENCE TO ARTICLE IN "LA PRESSE"

On the orders of the day:

Mr. Real Caouette (Villeneuve): Mr. Speaker, I rise on a question of privilege.

An article published in yesterday's newspaper *La Presse* under the title:

Mr. Gregoire: a failure as a martyr.

Reads as follows:

It seems obvious that Mr. Lambert, in that instance, merely bowed to the implicit or expressed will of the government to court the Socreds.

I should like to point out that Social Crediters enjoy no special privileges in this house and that reporter Jean Charpentier who makes that statement proves himself to be a first class scatterbrained newspaperman among all Canadian press people.

Mr. Speaker: Order. The hon. member has stated his point of privilege.

(Text):

HEALTH AND WELFARE

INQUIRY AS TO COUNCIL OF HEALTH COMMITTEE ON SMOKING

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I would like to direct a question to the Minister of National Health and Welfare. I wonder whether he can give the house any information relative to the organization of the dominion council of health's special committee on the relation of smoking and disease.

Hon. J. W. Monteith (Minister of National Health and Welfare): Only that on the recommendation of the dominion council of health a committee to study this matter was formed and is now at work.

HOUSE OF COMMONS

INQUIRY AS TO FILLING OF VACANCY

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the Secretary of State whether he could draw to the attention of his colleagues the fact that today is the fifth week since a vacancy occurred in this house, and urge them to do something about it.

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20, $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

Mr. Olson: Mr. Chairman, when the committee rose at five o'clock yesterday I was talking about some of the legislation, reports and so on that the government has had in its hands for weeks, in some cases for months and in some cases for years, that to date have received no positive action to deal with these problems. As I pointed out, we are becoming increasingly disturbed because of this lack of action.

Perhaps I may review some of the specific items that I mentioned, Mr. Chairman. There is the matter of ARDA. Of course, as we all know, this was supposed to be an act with very broad scope that would in fact give the government the authority and power to implement schemes and projects of all kinds to improve the lot of agriculture for the whole of Canada. We submit that there has not been any positive action on the part of the government in this connection in spite of the fact that several projects have been submitted to them. I am not saying there

has been none, but there has not been anything of a substantial nature in keeping with the spirit that was expressed when this act was brought in.

The fact is that agriculture, in spite of the propaganda program of the Conservative party during the last election campaign, still has many problems, and farmers' income is going down. I have in my hand an Associated Press report from Rome which says:

> Canada fared the worst among countries where farmers' net incomes fell last year, the United Nations food and agriculture organization annual review reported Sunday.
>
> The fall was 24 per cent. It brought net farm incomes in Canada in 1961 to the lowest level since 1945. Farmers' cash incomes, however, rose because of sales from previous years' stocks, the report said.

The Chairman: Order. There is a great deal of competitive conversation in the committee that could be better carried on elsewhere. I think out of courtesy to the hon. member who has the floor hon. members who intend to remain in the committee should co-operate by keeping their conversations for another time.

Mr. Olson: Thank you, Mr. Chairman. As I was saying, obviously the problem of farm income dropping and the cost-price squeeze is worse now than it was a year ago; it is worse now than it was two years ago, and so the plan to remedy this situation that was indicated when ARDA was brought out has not been of any effect. The problem is still with us, and we are insisting that some positive action be taken in this respect and taken soon.

The second thing I mentioned was the problem with respect to some Canadian publications. The royal commission set up to study this question has reported and made recommendations, and no action has been taken. We believe it will be too late to take action after the whole Canadian magazine industry has gone bankrupt or been forced out of business by unfair competition. In this respect we think it is time for the government to take action. They have authority now to do it; they do not need to wait for any further authority from parliament.

Then there is the matter of the royal commission on transportation, which submitted its report to the government several months ago. We are now faced with the problems of additional subsidies to the railways, and there is a large segment of the Canadian population which feels there is unjust competition to the trucking industry because of these subsidies. We believe that both the railways and the trucking industry have important parts to play in the area of transportation in this country and it is up to the government to take some action based upon those recommendations. If they had taken some action we would not be reeling from one temporary improvisation to another with respect to the over-all problem of transportation.

I mentioned also that there was an inquiry into air service requirements for the prairie provinces undertaken over a year ago. A report is now in the hands of the government and we should like to see some action taken with regard to it. The Atlantic provinces economic council has, I submit, sufficient power to make inquiries and forward recommendations to the government. All these other boards they are setting up are, in my opinion, redundant. They may have other purposes, but certainly insufficient action has been taken on those recommendations which are already in the government's hands.

Later this session we shall be discussing another board, the national economic development board. We submit that the national productivity council, which has already been established, has once again the necessary power to inquire into this field and make recommendations for positive action which the government might take. So there is no need for any of these new boards. I say this because the government has not taken any action on the recommendations which it already has.

Another thing we welcomed in the speech from the throne was the statement regarding action to be taken to provide additional grain storage in eastern Canada. Well, we have been here for several weeks, and no action has been taken to provide such storage. There were indications that the surcharges inhibiting Canada's international trade would be removed as soon as possible. We believe this should be done, because they constitute a great burden on some of the business people of Canada. But these surcharges are still being imposed.

There is one other thing about which we in this group are probably more disturbed than we are about any other matter. It is the difficulty which municipalities are facing in finding the capital they require for their social development programs. We believe there is an area here, in the provision of these finances, where the federal government through the Bank of Canada could make a most useful contribution to assist both provinces and municipalities to raise the capital they need and save them some money in the process because it could be done at a lower rate of interest. We submit that the Bank of Canada already has the necessary authority to do this, provided the present government would take some action.

In the few minutes I have left I want to say that up to this point in the session the party to which I belong has prevented the Liberals from dissolving this parliament. We have done this for two reasons. One is that

we believe that on June 18, when the people of Canada had the opportunity to express themselves, they elected the composition of the parliament as we see it here today; in other words it was a true and accurate reflection of the wishes of the people, and as responsible members of parliament it was our duty to try to work together with all other members, regardless of which party they belong to, in the interests of the Canadian people. To this point we have done that.

The second reason is that ordinarily there is a slowing down of the economy during the winter months, and unemployment increases due to climatic conditions. Also we know that when an election campaign is in progress the economy goes into a dormant state while businessmen wait to see what is going to happen before they make major decisions. So we took the position that it would not be in the interests of Canada generally to face the problems both of winter, with the slowing down of the economy, and an election at the same time.

However, we are not happy with the progress that is being made. We believe no further legislation is needed with regard to many, in fact most, of the specific matters with respect to which I have urged that action should be taken. Thus the blame does not rest on parliament for this lack of action. It rests solely on the shoulders of the government. The government already has authority to do all these things for which I have asked, with one exception. We believe that the responsibility here in this parliament is not something to be played with. We believe that if we pass legislation, whether it is in this parliament or in past parliaments, it is up to the government to take the action which was anticipated on the basis of that legislation. In many cases this has not happened.

So in closing I want to say to you, Mr. Chairman, and through you to the government and in particular to the Prime Minister, that I am authorized on behalf of this party to indicate that unless some positive action is taken within the next few weeks we are going to reassess our position, our attitude toward keeping this government in office. I want to say, too, that we intend to support this interim supply motion without amendment but unless there is some positive action, some progress that we can see in those fields I have mentioned, it will probably be the last one that we shall support.

We want to make this perfectly clear. We want to serve notice on the government so they will have sufficient time to take some action. We do not want to take the irresponsible position of dissolving parliament, or being party to the action which dissolves parliament, in what might be termed a snap vote. We serve notice on them now, and they will have until the next supply motion which comes up in January to indicate when they are going to take some action on these things. But I repeat, if there is nothing by then to indicate that they are doing something, we shall not support any more supply motions.

We are asked here for another $330 million, which makes up ten twelfths of the total requirement for this fiscal year, without having passed any of the estimates and without having passed a budget. We are also disturbed because the government is, in addition, asking for authority to borrow an additional $500 million. This too, as is well known to all members of this house, is a matter which we in this party regard with great apprehension. This in itself indicates that there is something basically wrong with the economy and with the monetary and fiscal system under which we are operating in Canada. We would like the government to show us some policy or some action which they could take in order that this kind of borrowing will not be necessary in years to come.

Mr. Herridge: Members of this party are glad that this debate provides an opportunity to discuss a matter of great importance to the people of Canada. I refer to the Columbia river treaty. Since the treaty was signed on January 17, 1961 we have heard nothing but a series of contradictory statements from representatives of the government of Canada and representatives of the government of British Columbia. As a result members of this house, and, I believe, Canadians generally are simply more confused than they were when the Prime Minister made his announcement in the house with respect to the signing of this treaty. The members of this party believe it is the responsibility and duty of the government frankly and fully to inform the house of the developments since this treaty was signed, and to bring the house up to date on the situation.

I want to emphasize that this party views every question of this type on the basis of its national policy, which is to promote the development of Canadian natural resources by Canadians for Canadians. Therefore throughout the years we have consistently urged the development of the Columbia river and other developments of this type in accordance with this policy. However, we oppose the present terms of the Columbia river treaty because the treaty does not comply

with the policy and the philosophy of this party, and it is not to the advantage of the Canadian people.

I wish also to emphasize that the New Democratic party is the only political party which, provincially and federally, has consistently supported what is known as the McNaughton plan, namely the full economic development of the Columbia to produce the maximum of power for Canadian use, with downstream benefits to be used in British Columbia or in the rest of Canada, and the surplus water of the Columbia to be used to irrigate Canadian soil, and to provide permanent jobs as a result of this policy. The decision on the part of the members of this party to oppose the present treaty was made only after the most careful analysis of the treaty by members of the party and by competent professional and technical advisers. Those advisers were sought in several provinces in Canada.

In order that there may be no doubt as to the position of the New Democratic party, the B.C. federation of labour and other unions in British Columbia, I am going to place their policy briefly on record. This is the policy of the New Democratic party as adopted unanimously at two provincial conventions in British Columbia:

Our cheapest source of power must be developed first. Available statistics suggest that this can be developed on the Columbia river. The New Democratic party favours the McNaughton plan, which would eliminate the High Arrow dam project and the flooding of thousands of acres of valuable B.C. land. This low cost power must be used in British Columbia to create new industries and the thousands of new jobs which are required to expand our industrial production rapidly and to end mass unemployment in our province.

No firm or long term contracts should be made for the export of power or sale of downstream benefits from British Columbia.

I think that is clear enough. That policy was unanimously adopted by the founding convention of the New Democratic party in 1961 and at a convention held in British Columbia just a few weeks ago.

Now I want to deal with the position of the B.C. federation of labour, and to pay a tribute to the men in the B.C. federation of labour who have given this question much study. They have employed competent research workers; they did not come to their decision off the bat, as it were. They discussed this policy in committee and came to their conclusions after a careful analysis of the treaty and of the surrounding circumstances. As a result of their conclusions they adopted a policy in 1961, which was endorsed this year, which deals with the question of power and politics. I will just read briefly from the pamphlet which contains their policy:

Power resources belong to the people.

Bennett still opposes the best interests of the public in B.C. industry.

Social Credit and Mr. Bennett have been forced to completely reverse their position on public ownership of power and admit their long term error.

But, as the C.C.F. warned the people of the province at the historic session of the legislature, "The Social Credit cabinet ministers are still babes in the woods when it comes to power development".

I am glad that they qualified that statement, because they are not babes in the woods in some respects.

For example, Premier Bennett has stated repeatedly that he wants to export cheap Columbia power to the United States.

Mr. Gregoire: Who said that?

Mr. Herridge: A member of our party in the B.C. federation of labour.

This is opposed by labour, by the federal government and by the C.C.F. If Mr. Bennett is allowed to do this it will mean:

1. Expensive power to industry and domestic consumers in B.C. 2. Cheap power to American industries. 3. More jobs for Americans—fewer jobs for Canadians. 4. Cheaper U.S. goods to compete with Canadian products.

That will include the agricultural production, which would be increased in the U.S. by the use of Canadian waters. It goes on to mention that exporting power means exporting jobs and deals with the question of their stand, which is identical to the stand indicated in the resolution passed at the New Democratic party convention.

I should like to deal briefly, Mr. Chairman, with the work of the "Columbia for Canada" committee and to congratulate the members of those unions who got together on this question. They also had a research committee established consisting of very competent engineers and people, some of whom I know quite well. The work of this committee has also been endorsed by the B.C. federation of labour. I should like to pay tribute to Mr. Orville Braaten, Mr. Jerry LeBourdais and Mr. John Hayward, staunch trade unionists who have accepted their responsibilities for dealing with the question of natural resources. Mr. Chairman, I have often criticized trade unionists for their concentration on, shall I say, wages and working conditions. I have often said to them that they have just as much right to deal with these larger issues as chambers of commerce or business organizations, and I am glad to say that the B.C. federation of labour—in fact all trade unions in British Columbia—are taking a much greater interest in the development of our natural resources than they did a few years ago. They have done some very excellent work indeed on this question. As a result of their work I have received nearly 5,000 cards

addressed to me in Ottawa as member of parliament for Kootenay West. I have one here which says:

> General McNaughton, April 6, 1962 publicly denounced the draft Columbia river treaty.
> "It amounts to servitude in perpetuity of our vital rights and interests. Canada was sold down the river by the government, in fact, you can say by two governments".
> I support your stand against the Columbia give-away.
> Block the export of half a million Canadian jobs to the United States.
> Support General McNaughton's plan.

These cards have come from all over British Columbia. We have had a few from Alberta, very few indeed, but more from Saskatchewan and some from Ontario. But this is the result of trade unionists accepting some responsibility for the conservation and proper development of our natural resources, and I am very pleased indeed to see it.

In my own district members of the international union of mine, mill and smelter workers, of which I have been an honorary member since 1941, a fact of which I am very proud, have done a good job in this regard. They appointed a special committee composed of competent people to carry out research on the problem, and they have made excellent representations in co-operation with farmers' organizations in the district. There has been the closest co-operation between the representatives of the farmers in my constituency and the representatives of the trade unions on this very important issue, because together they realize that this is a matter concerning their bread and butter and the bread and butter of children to come.

We admit that this is a complicated problem and that it is very difficult for people to be fully informed through the daily press. However, at this point I must give credit to Mr. James G. Ripley, editor of *Engineering and Contract Record,* for his excellent article entitled "The Columbia river treaty" in the September issue of that magazine, which has been widely circulated and is most useful to persons seeking an understandable explanation of the terms of the treaty and information on this problem. I see the hon. member opposite is nodding his head in agreement. There is no question but that Mr. Ripley has done a great public service, because I have had dozens and dozens of letters from people who have received copies of this article. I myself distributed 1,100 reprints of this article in this magazine through the co-operation of trade unionists in Vancouver. I think this is the first breakthrough we have had with respect to the ordinary person understanding the terms of this treaty and what it means to Canadians. I must also congratulate Margaret "Ma" Murray for her November 15 supplement to her Bridge River-Lillooet *News* entitled "Eye Opener on the Columbia". I think it is a great credit to this lady of central British Columbia who, I understand, at the present time is over 75 years of age. I remember when this lady gave my wife slim and trim lessons 45 years ago. Anyway, she is just as alert as ever, and I am glad to see it.

Mr. Byrne: And still giving lessons in politics.

Mr. Herridge: Yes. Some people have considered in the past that this has simply been a local protest of people who are being flooded out. They looked upon me as a pleader for special interests. I have been criticized in a few quarters because of my wife's property. There are a few acres of my wife's property which would be flooded. I may explain that I live on my wife's ranch. We have an arrangement under which she allows me to live there most of the time.

An hon. Member: How many acres?

Mr. Herridge: I said a few acres. We are more fortunate than are most people. We have more land than most people, and we can move back from the water's edge. There has been an impression abroad that I was speaking for special interests in the Arrow lakes valley. May I say that it is natural for ranchers to be concerned when they see the work of 40 years, 50 years or possibly 60 years destroyed overnight.

However, the issue is larger than that. All these organizations have studied it from the national viewpoint, the provincial viewpoint, the district viewpoint and the local viewpoint. To give some idea of the widespread opposition to this treaty I wish to mention some of the organizations which have dealt with it and have adopted resolutions. They include the Arrow lakes water resources committee, which is a committee of farmers and others. Industrialists, merchants and trade unionists, including representatives of the city of Revelstoke, have expressed strong opposition to this treaty. I also must mention members of the British Columbia advisory board of the farmers institutes of British Columbia; local organizations of the farmers institutes; women's institutes, and all the chambers of commerce of southeastern British Columbia. They have expressed their opposition to the High Arrow aspect of this Columbia river treaty. If you do away with the High Arrow, then it is possible to adopt the McNaughton plan. They

have done so, because they have realized the unnecessary destruction of great and valuable natural resources.

Then in addition, numerous other organizations and individuals have expressed their opposition. I wish to pay my tribute to the engineers, who included Mr. Bartholomew of Vancouver, the consulting engineer for the Arrow lakes water resources board; Mr. Affleck, consulting engineer for Kootenay West New Democratic party district council; Mr. Larrett Higgins of Ontario and Mr. Richard Dean of Rossland, a hydro engineer, and Mr. MacDonald of Rossland, another engineer. Numerous other people have volunteered their services and have looked at this matter objectively because they were not directly affected. It cannot be said that persons living in Ontario or Quebec are directly affected, but I may say we have letters from Quebec. We must credit them with looking at this matter in an objective way. Surely the opinions of these large and responsible organizations and thousands of people warrant consideration by the government of Canada and the government of British Columbia.

Furthermore, the contradictory statements from representatives of the government of Canada and representatives of the province of British Columbia have caused confusion in the public mind, and they are entitled to an explanation instead of the continuing silence on the part of this government.

Before proceeding I wish to congratulate the hon. member for Coast-Capilano on his speech. I listened to it attentively and enjoyed the greater part of it. There were in it one or two spots with which I could not agree. In any event I was glad to hear him urge that the government return to the principles proposed by the international joint commission for the development of the Columbia while General McNaughton was chairman of the Canadian section of the international joint commission. I was pleased to hear him say he opposed the construction of the Libby and High Arrow dams. I was delighted at his suggestion that we renegotiate the treaty and secure with the United States an agreement which will provide for a logical and measured development, commencing with the Mica dam first. I was also very much pleased to hear him suggest that General McNaughton and other qualified witnesses should be heard before the committee on external affairs so that the house will be informed.

I was pleased to hear him urge that public hearings should be held before any decision was made. Let me say this. Long before the treaty was signed General McNaughton told me that the international joint commission, Canadian section, considered it an obligation to hold hearings in the district before they made a final recommendation to the government on a treaty of this type. Mr. Williston, minister of lands and forests, assured us in Castlegar it would be done there in 1960. He said "I can assure you there will be public hearings held in this district before any treaty is signed on behalf of Canada".

There were no hearings held until after the treaty was signed. Even then, what were the hearings? They were held by the water controller, Mr. Paget, who made the decision as to the issuing of the licence to British Columbia hydro. This gentleman was one of the chief exponents of the present treaty on behalf of the government of British Columbia in Ottawa. This gentleman was actually judging his own actions. Dr. Keenleyside, chairman of B.C. hydro, made an application to him for this licence and it was granted by Mr. Paget. This is a wrong conception of justice altogether, namely that the person who promoted the idea should then sit in judgment as to whether or not a licence should be given with respect to it.

Before I pass on from the remarks of the hon. member for Coast-Capilano I might mention the fact that I had the honour of naming the riding some years ago, and I will explain that to him, as he may be interested. I know he is as interested in history as I am. However, I did not agree with his suggestion with respect to the sale of downstream benefits. I think he spoke in terms of selling them for a lump sum in cash. However, I was pleased to note the tenor of his whole speech, and I trust that he keeps moving in that direction until he finds a haven in this group over here. What about the history of this tragedy of errors? I may say that I am not dealing with technical matters, although I know the member for Coast-Capilano is familiar with them. First of all, I am not a technical man. I am just an ordinary hillbilly. However, I know the circumstances which I am discussing. I suppose I am the only member of parliament who has ridden down the Columbia river in an Indian canoe in the early years of this century. I know every foot of the Columbia, and as far as the local aspect is concerned I know what I am talking about and I speak with a certain, shall I say, sentimental interest in this question.

What of the history of development?

1. There was a reference by the House of Commons of Canada and the congress of the United States to the international joint commission in March, 1944, authorizing an investigation of the Columbia for development.

2. Between that date and up until recently the federal government expended approximately $5 million on investigations.

3. General McNaughton obtained recognition of United States authorities of Canada's rights as the upstream state under article 2 of the boundary waters treaty of 1909. When he first took that stand they were going to deny us those rights.

4. The international joint commission, while General McNaughton was chairman of the Canadian section, established principles that would apply to the development of the Columbia.

5. General McNaughton negotiated agreement for the acceptance of the principles for the division of downstream benefits. We were all happy when that matter was settled as far as the principle was concerned.

6. The government of Canada, in association with the government of British Columbia, proceeded to negotiate a treaty on the basis of the McNaughton plan. Those negotiations went on for two or three meetings.

7. Shortly after negotiations commenced the government of British Columbia reversed its stand and insisted on the present treaty plan.

8. The federal government surrendered abjectly to the government of British Columbia because, as the present Minister of Public Works said, I did not wish to tread on Mr. Bennett's toes.

9. Negotiations continued after this surrender and a treaty was drafted, the terms of which were acceptable to the government of British Columbia. There is no question about that, I must say in fairness to the federal government.

10. The treaty was signed on January 17, 1961 with great fanfare. I remember the day the Prime Minister rose, announced this treaty and read extracts from the speech made in Washington. This treaty was signed when Washington was preparing for a coming election. It was signed with great fanfare and announced in this house by the Prime Minister as a great development. Actually I am quite confident that the Prime Minister did not really understand what the terms of the treaty meant.

11. After the signing the treaty was hailed as a great advantage to the United States and documents were published to this effect in the United States, copies of which I have, by the Republican party and were used in the subsequent United States election to prove what a good deal they had made.

12. Premier Bennett's about-face. He strongly criticized the treaty, demanded the right to sell the downstream benefits in the United States after his representative had agreed to the terms of the treaty in Ottawa, and said there is a market in the northwestern states for this power at five mills.

13. Then we got an interesting interjection from the United States in the form of a statement by Mr. Stewart L. Udall, secretary of the interior of the United States of America and the member of President Kennedy's cabinet who has the direct responsibility of seeing that the Columbia river treaty is carried out by the United States. He said:

> To provide flood control and power benefits equivalent to those provided by the Canadian storage as of 1970 entirely from projects in the United States would require an investment in the United States of about $710 million over the next nine years. To realize these benefits through Canadian storage, on the other hand, the costs in the United States over that period are estimated at not over $150 million.

They were using this in the United States election, and I do not blame them one bit.

14. The Minister of Public Works, chairman of the negotiating committee, admitted the treaty is second best and stated that "Canada would have been better off with a Columbia treaty drawn according to General McNaughton's wishes". But, he said, "B.C. opposed the move because it conflicted with provincial interests".

15. The Secretary of State for External Affairs, a gentleman for whom I and all members of the house have great respect, enlarging on the speech of the Minister of Public Works, said in the house on April 13, 1962 that the United States had agreed to accept the McNaughton plan but then the treaty had to be changed because the B.C. government refused to go along with this plan.

16. Now we come to a dynamic political development. Mr. Bennett criticized the treaty in his famous speech at Prince George on September 16, 1961. I think a number of members have copies of the manuscript in which he roundly condemned the treaty and said that it was a poor treaty for Canada but that it could be made to work on his terms.

17. The Minister of Public Works replied to Premier Bennett's speech on November 28, 1961 and said when referring to the export of power proposed by Mr. Bennett that this would be "the greatest betrayal of Canadian interests that it would be possible to contemplate". One can now understand why the Minister of Public Works is not here today, when the government has repudiated his stand and position with respect to the export of power and the export of downstream benefits.

18. On reading the throne speech this session members of parliament realized that the government of Canada had surrendered to Premier Bennett for the second time by making provision for the long term firm export of power.

Mr. McCleave: Would the hon. member permit a question? I know he wants to be fair. Knowing the Minister of Public Works as he does, would the hon. member not agree that the minister would not be absent from the house unless he had made plans beforehand?

Mr. Herridge: I want to be fair to the minister, yes. I am sure that the Minister of Public Works would not deliberately avoid his duty, but I think he must feel somewhat gratified that he has other business to keep him away from the house this afternoon.

Mr. McCleave: He will be back today.

Mr. Herridge: 19. Since that time we have read of Mr. Bennett's visit to Washington and of his attempts to sell his power at five mills, which he said could be sold quite easily. There is no question but that Dr. Keenleyside also said that; but let me tell you that though Dr. Keenleyside is a most impressive figure in a village hall, he did not win the hearts of my constituents.

20. Premier Bennett's latest move suggesting that a United States negotiator be appointed to carry on negotiations between the government of Canada and the government of British Columbia. Did you ever before hear of anything like that in Canadian history, a premier suggesting that we go to the United States to get a negotiator to carry on negotiations between the government of Canada and the government of British Columbia?

21. This whole sorry mess is, I say, proof that the government entered into this treaty without planning and without the facts, and listened to the boys who make decisions based on computer machines without any relation to the conservation of Canada's natural resources or the sociological aspects of this very important problem.

22. General McNaughton approached this problem as a Canadian development. The treaty reverses this position, because while the Americans are physically downstream the treaty gives them all the rights of an upstream state by reason of their obtaining Canada's consent to the building of the Libby dam.

What in brief are the major defects of this treaty from our point of view?

1. This treaty is the result of a complete lack of planning and lack of knowledge of the facts. It is the result of political rather than co-operative and effective planning. This government entered into the treaty before it knew it could build the High Arrow dam. There are doubts yet about the safety of the foundation. Drillers have gone down hundreds of feet and have not been able to find rock. The government entered into the treaty without knowing the cost of moving huge quantities of timber to the pulp mill below the dam. The government entered into the treaty, and the government of British Columbia is to blame as well, without any estimate of the damage to public and private investment, wharves, docks, roads, highways, farms, villages, 18 communities wiped out almost completely and others partially. The government signed the treaty without any assessment of the damage to agricultural land, timber and so on.

2. The treaty for the first time in Canadian history gives control of Canadian waters to United States authorities. For the first time in Canada's history this treaty hands over to another state sovereign rights that belong to Canada.

3. It diminishes the value of the Columbia river for power development in Canada and also provides for power at a higher cost than would be possible under the McNaughton plan. That can be proved.

4. It means the loss of permanent jobs for Canadians forever.

5. It unnecessarily destroys land and living space and millions in public and private investment. Under this treaty we destroy 57,000 acres of agricultural land and forest by the flooding of the Arrow lakes region and of a portion of East Kootenay, whereas under General McNaughton's plan we can bring into production in the future hundreds of thousands of acres of some of the most fertile land in Canada and lay the foundation for a great cattle industry in that area.

6. It destroys recreational resources, fish and wildlife. The fish and wildlife people of British Columbia made a report on this matter. It destroys fishing in the Arrow lakes. The rise and fall of 78 feet annually makes it impossible for the fish to spawn and prevents a proper supply of food for them.

7. It destroys miles of beautiful sandy beaches. People go to Florida, but let me tell hon. members that the Arrow lakes district is the most beautiful inland park in Canada, with many miles of sandy beaches.

The Chairman: Order. I regret to advise the hon. member that his time has expired.

Some hon. Members: Continue.

The Chairman: Will the committee give unanimous consent to extend the hon. gentleman's time?

Some hon. Members: Agreed.

Mr. Herridge: I appreciate this courtesy, as I have just about completed my remarks. The members of this group believe that Canadian power resources should be developed for Canadians; that Canadian surplus water

should be used to irrigate Canadian soil; that the Columbia river should be developed so as to provide permanent jobs for Canadians of this and future generations. We believe our surplus water should be used to irrigate the Okanagan and, in the future, prairie lands that are available. We believe our surplus power should be put through a national power grid. These developments will not come in the immediate future, but I believe they will come with national unity and if federal and provincial governments do some co-operative planning. We believe we must provide permanent employment to all Canadians by protecting and using to the best advantage these great national resources. For these reasons the members of this party support the McNaughton plan for the development of the Columbia river.

Mr. Foy: Mr. Speaker, the importance of transportation to Canada is well understood by all members of this house. Western Canada and the maritimes have the problem of the long haul to the central Canadian market. After world war II a series of applications by the railroads for horizontal freight rate increases accentuated this problem, and this was alleviated to some extent by the east-west freight subsidies instituted in 1950 and by the increase in the maritime freight rates subventions on hauls by rail from the maritime provinces to central Canada.

The equalization of rates, also instituted in the early 1950's, was a gigantic task and had not been completed before the rise of a new transportation industry. I refer, Mr. Chairman, to the trucking industry. The trucking industry began to nullify the equalized freight rate structure on the long hauls from the west and from the maritimes to central Canada. The trucking industry began to create a situation that had long existed in central Canada, and to a lesser extent regionally within the western provinces and the maritimes. This was the competition for freight business. In short, the railways on these long hauls made drastic rate reductions in an attempt to hold their business and the truckers, in reply, reduced their rates even lower in an attempt to hold their new found business.

The truckers complained about the subsidized rate competition with their industry. If we are to believe the report of the MacPherson royal commission there is no doubt about the substance of their complaint. These are matters to be considered anew. The truckers must realize that the rate reducing subsidies to which they refer, and which are cited critically in the royal commission report, were not given exclusively to the railways for the purpose of putting the truckers out of business. They came into effect when the trucking industry was not an important factor or a much less important factor in the field of transportation than it is today.

As I have said, these are matters to be considered anew. The government, if it is going to implement the MacPherson report, will have to, one, accept the royal commission recommendation as to the position of the trucking industry and, two, reject the commission's recommendation that rate reduction subsidies should be available to all shippers and not just to shippers by rail. The announcement by the government that it will implement the report of the MacPherson royal commission is of prime importance to the railways. The railways remain as the backbone of Canada's transportation system, and will continue to occupy this position in the foreseeable future.

The government's announcement is of undoubted importance to other forms of transportation, water, air and truck, all of which are affected. The truckers are perhaps particularly affected because they are the vital arteries of our transportation system. Certainly, Mr. Chairman, there is a case, and the royal commission puts it very well, for the modernization of the regulatory set-up under which the railways operate. This regulatory modernization would apply to the meeting of competition by the railways and the stripping away of services which the royal commission says are uneconomic and little used by the public, if used at all. That there is a necessity for action along these lines, I think we can all agree.

The question is, Mr. Speaker, how do we go about easing the railways into the intense competitive climate of today without a major disruption or dislocation? For example, shippers who still use railway services, either as passengers or as shippers on branch lines who have no alternative facilities, must be protected. No one expects the railways to act as fairy godmothers for anyone. On the other hand, these Canadian citizens have, in good faith, adopted a way of life in which they are dependent on the railways. If necessary, even hard measures will have to be taken by the government to straighten out the railway situation. We must find some way to compensate or help those who suffer. This can be done by forcing the continuance of railway service, even though it is uneconomic.

If this has to be done, the question certainly arises as to the removal of the uneconomic burden from the railways and the assumption of the burden by the public. Then if a service is to be withdrawn either the persons along the line should be given some transitional payment to enable them to adjust, or some

authoritative public body should determine beyond doubt that adequate alternative transportation facilities exist or will be instituted as soon as the railway service is withdrawn.

A good deal of partisan muck can be thrown backward and forward on the transportation issues that confront Canada. However, the central fact which is not capable of partisan interpretation is that the fundamental problem of the railways is the growth of competition from alternative forms of transportation. In our free society we do not decry this growth. On the contrary, it has brought great benefits to Canada, one example being the growth of refrigerated truck transportation from western to eastern Canada, which has opened up new markets in the east for western producers. It has also compelled a tremendous improvement in the speed of railway freight service. This service in the early stages of truck competition was not competitive with the trucks, but the railway service is now approaching the standard of the truck service.

As I said earlier, leaving aside the question of rates, the railways not only had to improve their service but had to reduce their rates on the long hauls. At the root of almost every problem confronting the railways we find competition. For instance, the private automobile, the bus and later the airplane stripped local passenger runs of their business and later ate into the long distance passenger runs as well. The truck, steamship, pipe line and airplane in that order have all made tremendous inroads into railway freight traffic. In a free society the consumers do not switch their preference unless they get something better, a better service, a lower price or a combination of both. Even on the question of horizontal freight rate increases, ignoring the issue of passenger services and branch lines that do not pay their way, competition is again the factor.

The reason for the Turgeon royal commission on transportation in 1949 and the MacPherson royal commission in 1960 was the continuing problem of horizontal freight rate increases and the loading of more and more of the railway freight rate increases on a smaller and smaller section of the so-called captive traffic. Shippers with alternate forms of transport could escape the impact of the horizontal freight rate increase, as the MacPherson commission points out. Those who have no recourse to alternate forms of transport, or recourse to a smaller degree than shippers elsewhere, took the full impact of the maximum rate increase permitted by the board of transport commissioners. It follows that if competition is at the root of the passenger and the branch line problem, and if it is a major factor in the question of horizontal freight rate increases, we cannot ignore the existence of competitive forms of transport in anything we do to solve the problem.

No party in this house has a mandate from the Canadian people to settle this problem by destroying the competitors of the railways. We want all the benefits that new technology in transport can bring, and that will only come with the spur of competition. As one form of transport improves its service or through technology finds it possible to offer a service at a lower rate, it spurs other forms of transport to do likewise. We all know that the railway system of today and the railway services of today bear no resemblance to the railway system and the railway services that were available on the eve of the competitive era. The change for the better, which has been of benefit to the great mass of shippers, has been compelled by competition.

The government has announced its intention of implementing the MacPherson report and I contend, Mr. Chairman, that it must do so in a way that looks at the transportation system as a whole; in a way that no longer contemplates unilateral measures directed to the railways alone, without apparent regard to the interests of other forms of transport, without consideration of the disruption of their activities. We are all aware that the trucking industry is very seriously concerned about the tremendous impact that will be felt by it by handing the railways new subsidies in the amount of $100 million, which is the amount the royal commission recommended for the first year. I should like to quote from the London *Free Press* how really disturbed is the trucking industry. One excerpt from this article says about the subsidy:

> —"you will wreck the industry our people have built with toil, sweat and ingenuity over the last 30 years".

Another part of this article says:

> The act provides a $20 million annual subsidy which is designed to "roll back" to 8 per cent a 17 per cent freight rate increase authorized in 1959... Since then the act has been extended three times—

Mr. Chairman, I will not read the whole of the article, but toward the end it says:

> Members of parliament who support railway subsidies were telling customers of the transportation industry that "if you ship by rail—but only if you ship by rail—the Canadian taxpayers will provide you with a special reduced freight rate".
>
> He said the trucking industry believes in genuine competition between truckers and the railways.
>
> "But when we find that parliament interposes itself on the side of the railways and on the side of railway shippers, we look to you for prompt, equitable correction of the situation"—

That is the feeling of the trucking industry. Truckers have been wooed by those who speak of the issue of free enterprise versus socialism. The truckers obviously expect consideration from the government in what it proposes to do about the MacPherson report, and they are obviously going to fight to get it. The truckers have sought no special favours and know they are entitled to none. On the other hand, Mr. Chairman, I am disturbed that the only reference in the throne speech to the justification for implementing the MacPherson report was that of eliminating horizontal freight rate increases. That is one of the major problems, and I say that without expressing any opinion on the solution recommended by the royal commission. It is a very complicated solution; I understand that even the experts are still shaking their heads over it.

Here is a politically attractive issue, the removal of horizontal freight rate increases. But we must remember that the section of Canada's population affected by that type of freight rate increase, while it is a most important section and is deserving of the concern and consideration of every member of this house, must be looked after by a solution of the transportation problem that is fair to all of the interests that are affected. Let us get the railway problems straightened out, but let us remember also that in dealing with this very important problem of transportation we are dealing with a vital and dynamic element in the Canadian economy. The trucking industry is responsible, I might say, for employing 100,000 people in Canada. No government can make a move on transport legislation today without running head on into issues that affect every form of transport. Therefore I urge the government in what it is planning to do about the MacPherson report to keep in mind that it is dealing with the transportation system, not only a railway system but a transportation system made up of independent competitive elements which all have their place and which are all entitled to fair treatment. The time when our Canadian transport thinkers were able to march with the minds of Beatty and Thornton, or even with Crump and Gordon, is gone. A new era in transportation is upon us. We have to live in that era. We have to deal fairly with transportation industries that actually constitute it, and we have to deal fairly with all of them.

(Translation):

Mr. Caron: Mr. Chairman, I rise first of all to protest against the method used by the government to put interim supply before us.

Since April of last year, we have been asked for proportions of one twelfth at the end of each month. Yes, come the last days of each month, we are told: "We need that to pay the civil servants". Today, we have reached the tenth twelfth, and we still have not been given an opportunity for close examination.

It is becoming more and more evident that it is time we should revise our procedure in this house.

Formerly, governments tried to follow as closely as possible the parliamentary practices which had always prevailed. Today, it is the opposite; no attention is paid to any of the parliamentary customs. That is why I say that perhaps the time has come to amend our standing orders so that the Minister of Finance would have to introduce the budget before February 15, and so that the government could not introduce any legislation until the estimates of every department are passed by parliament.

In a case of extreme urgency, the unanimous consent of the house could always be asked so that some special bill might be discussed and passed. But it seems to me that the procedure used by this government ignores the members of the house and particularly of the opposition.

This time, however, we can take a little more time because it could not be said that the civil servants will not be paid if we take two or three days to discuss interim supply. We have an opportunity to go over certain happenings.

For instance, I should like to raise the matter of the recent salary increases. I think they were given against all common sense. Those who were in greatest need of them have been overlooked. I readily admit that those who earn $6,000, $7,000, $8,000, $10,000, $12,000 or even $18,000 per year, are also entitled to a salary increase because of the increase in the cost of living. But they could always wait a few months. But when those who earn less than $3,500 per year are deprived of an increase merely because the pay research bureau did not recommend an increase in their case, such an excuse does not seem valid to me, and I suggest that this is utter nonsense on the part of the civil service administration.

The previous minister of finance claimed that when the pay research bureau would not recommend a salary increase, its report could be made public, but that when the

bureau submitted a report recommending an increase, that report became a confidential document and could not be divulged to anyone, not even to members of parliament, except in parts, from month to month, as increases were being granted. If my memory serves me right, the increases started in a certain year and since then, every month of April, May, June, July, August, September and October, increases are being granted to certain groups of civil servants, but never do the October, September or July groups get retroactive pay to April 1, whereas the first group got it.

That is a flagrant case of injustice to civil servants. But that is the way the former minister of finance wanted it. I trust the new minister will not follow the same procedure in future.

This year, the research bureau has recommended increases. About 5,000 employees are getting increases, but they are the most highly paid civil servants. To be sure, the professional classes needed a raise, but this need was not so pressing as it was for the others, to whom the high cost of living has brought hardship seldom to be equalled.

Well, they were denied an increase, although a few days before Christmas 50,000 civil servants received one. On the eve of a snow-bound election—the Prime Minister is all set since yesterday—salary increases are now granted to groups earning $3,500 or over. I admit that they needed one, but I fail to understand how a government, aware of its responsibilities, can behave in such a manner and refuse any increase to the employees whose earnings are under $3,500 in spite of the fact, as expressed by the Minister of Finance, that no other increase is in sight before the month of April 1963.

If there is a group of employees who are in need, surely it is that one because those people generally have families, they have the same obligations as others on their houses, they experience financial difficulties which accumulate as the cost of living rises. In fact, those people find it almost impossible to make both ends meet.

Nothing in the act could prevent the minister from overriding the pay research bureau's recommendations, but this is the excuse he gave, the one he gave me when I asked him a question.

(Text):

Mr. Speaker, may I direct a question to the Minister of Finance. Can the minister explain why the clerks and typists in grades 1 and 2 do not benefit from the salary increases announced yesterday?

(Translation):

This is the excuse given by the minister:

(Text):

Mr. Speaker, because the pay research bureau reported in that way.

(Translation):

Well, Mr. Speaker, I think it is a shame to try and blame officials who are subject to the instructions of a ministry and especially of the Minister of Finance. Besides, as I said earlier, neither the Minister of Finance nor the government has to bow to the pay research bureau's recommendations. They can override them, they have a right to make their own decisions. When they believe a situation is unfair or inconsistent, they have the power to change this decision or this recommendation.

Nothing was done in the circumstances. So, 33 per cent of the federal civil servants, 33 per cent of those who receive the lowest salaries, do not get a raise. Among them, 1 per cent receive less than $2,000 yearly, 6 per cent earn less than $2,500, 10 per cent less than $3,000, and 16 per cent less than $3,500.

Mr. Chairman, while I was studying the question, I found in today's *Gazette* two short items reading as follows:

(Text):

"Pay boosts for others wait year".

Finance Minister Nowlan said yesterday that the pay of a large group of government clerks and typists who were passed over in the new round of pay increases won't be reviewed again until next October.

He told reporters that the government is not considering the case of the employees ranked as grade 1 and 2.

(Translation):

That is the Minister of Finance's way of doing things.

(Text):

He will not be considering.

(Translation):

They do not want to review the situation.

On the other hand, as can be found on the front page of the newspaper, we note a situation which seems much more logical.

(Text):

Lesage reveals civil service salary boosts.

Premier Lesage yesterday announced pay raises for 3,668 civil servants totalling $978,999 a year.

The raises are retroactive to November 1, he announced following a cabinet meeting. They affect government employees whose salary is under $6,800 a year, he said.

(Translation):

As you can see, Mr. Chairman, the government of the province of Quebec starts by paying more adequate salaries to those who

need them most; increases are being granted to those who earn less than $6,800 a year. In other words, pay increases are given to those who need them most.

The article goes on to say that in mid-January the provincial government will give a pay increase to those who have a higher salary.

That is how this government should have proceeded in the case of the civil servants but it failed to do so.

If one tries to get information, he is told that those government employees get salaries which are about the equivalent of those paid by certain concerns, in private industry.

I wonder where they got those figures. Perhaps they come from certain concerns where business is not too good or from employers who are quite content to employ people who are less qualified in order to pay smaller salaries.

Yet, when we speak of good insurance brokers' firms, of good lawyers' or notaries' offices, we find that the salaries paid there are even higher than those of federal civil servants. I know that at the Metropolitan Life Insurance, in Ottawa, working conditions are better and salaries higher than those paid by the federal government. Moreover, with regard to security the company offers its employees more than what the federal government gives to its civil servants.

Even if it were true that salaries paid by private enterprise are inferior or equal to those paid by the federal government, would it not be up to the government of Canada to show others the way and to make them realize that they are not paying appropriate salaries?

Is it not up to the government to set an example? Indeed, even if we may not pass legislation here which would call for salary increases—as the matter is under provincial jurisdiction—we may, nevertheless, grant a needed raise in salaries, thus showing people in industry and business how they should deal with their employees.

Unfortunately, this government's gesture simply indicated to business and industry in what shameful manner it treats its employees as if they were second rate citizens, and more particularly the low salaried classes.

It seems that the government want to save at the expense of the civil servants. They seem to think that those who might find work in another office will leave, and that they can be replaced by stenographers grade 1 or 2 with lower salaries. This action will mean a saving for the government at the expense of the low-salaried classes, and I think such proceedings entirely shameful.

Sir, the Minister of Finance gave an interview to the Canadian Press. I hope he will amend his ways—he is old enough to do so—and that he will not share the attitude of some hon. members. I wish he would revise his position and go ahead, even without consulting the pay research bureau, in the knowledge that some civil servants are in greater need than others.

He has the right to do so. He has the right to make such a recommendation to the cabinet and to the treasury board. That is what he should do, and if he does not, I feel that he fails in his duty, since the Minister of Finance is the one responsible for salaries.

I heard earlier a Social Crediter sternly criticizing the government. He took objection to everything the government has done since the beginning. He condemned the government as harshly as the Liberals or the New Democratic party would condemn it. And yet, in spite of everything, in spite of all those criticisms, and of the warnings given by the Social Credit party to the government since the beginning of the session—"If you do not mend your ways, we shall be forced to drop you"—they have not yet abandoned it, and when it is time to vote, they hide or vote for the government.

I feel, Mr. Chairman, that they should take a more consistent position. I do not know whether that is the Hitler way of doing things, because I made no special study of Hitler's career, but I do know that this method is not consistent with ordinary parliamentary procedure.

Mr. Ricard: You might perhaps come back to the matter under discussion.

Mr. Caron: I beg your pardon?

Mr. Ricard: Stick to the matter under discussion.

Mr. Caron: My remarks are in order, and when I speak in this house, it is up to the Chair to rule me out of order if I am, and not to the whip of the Conservative party.

What offends me most of all, is when I hear those Social Crediters put the Liberal party—supreme insult—on the same footing as the Conservative party and suggest that during 22 years, the Liberal party, like the Conservative party, did nothing.

If they can make such a statement, it is because they refuse to face and look into the real situation.

The Liberal party, during those 22 years, gave the country a positive administration which rendered invaluable services to the Canadian nation.

Some hon. Members: Hear, hear.

Mr. Caron: The Liberal party, for 22 years, conducted the country's business so that ordinary crises would not be so hard to suffer, that unemployment would not increase disproportionately.

I know that we did not print paper like they did under Hitler when, with 100,000 marks, only a small loaf of bread could be bought; but we saw to it that the administration would allow us to give the Canadian people what they needed.

Let us take for instance social legislation—

Mr. Gauthier: By taking away the rights of the provinces.

Mr. Caron: I hear someone speaking.

Mr. Gauthier: By selling the provinces.

Mr. Caron: I could not catch a thing. If you want to speak, at least open your mouth.

Mr. Gauthier: It is nothing new, you never catch anything.

Mr. Caron: Mr. Chairman, I am not against answering questions, but I hope that they will stop whispering and will speak in an understandable way.

An hon. Member: Do not ask too much of Social Crediters.

Mr. Caron: No. I know that I am somewhat exacting.

But during the 22 years that we were in power and perhaps a little before, our social legislation was written in our statutes by the Liberal party, our whole social legislation with no exception. The Conservative party did not initiate a single piece of social legislation.

If today, in spite of the crisis that we undergo, the people suffer in a somewhat lesser degree than during the last crisis, it is because the Liberal party had established the Unemployment Insurance Act, which makes it possible to correct the situation to a certain degree. Without such legislation on the part of the Liberals of the day, conditions would be worse than in 1930-35. It is thanks to the Liberal party that hardship has been somewhat alleviated.

Mr. Dumont: Would the hon. member allow me to ask a question?

Mr. Caron: Yes, certainly.

Mr. Dumont: What could you answer to this, which is reported in *Hansard* of April 4, 1957? It is a question directed to the minister of labour of that day:

> Does the minister know that a good number of the employees of his department in British Columbia are in arrears for periods of up to seven months in respect of overtime pay, involving sums amounting in certain cases to over $500;

Is that the same as with the Conservatives?

Mr. Caron: That is a question which I have not had the opportunity of considering, but if it was in 1957, it might as well have been under the Conservative government as under the Liberal administration.

Mr. Dumont: The date is April 4, 1957.

Mr. Caron: In any case, I do not pretend that the Liberal party has been absolute perfection. Perfection is not of this world. Man is a finite being who must bear something of the original sin and carry it about with him, as you all have to carry the load of your own faults and even those of your leader, Mr. Caouette.

The Deputy Chairman: I have been listening with great interest to the remarks of the hon. member for Hull (Mr. Caron), but I am certain that because of his parliamentary experience he will recall that we are now discussing particular items, and I know that, as the rule of relevancy applies in this case, the present remarks of the hon. member are not those we may expect in this house except when we are, for instance, discussing the speech from the throne.

Mr. Caron: Mr. Chairman, during the debate on the first item of the interim supply or on the main estimates, it has been the custom in this house to let us edge away a little bit from the item before the house. Such was the opinion expressed by your immediate predecessor in the chair. He allowed discussion of the Columbia river question—

The Deputy Chairman: Order.

Mr. Caron: Mr. Chairman, allow me to continue with my remarks before you give your ruling.

The Deputy Chairman: When the hon. member states it is permissible to wander away a little bit from the subject under discussion, I agree with him. But a practical meaning must be given to the expression "a little bit".

Mr. Caron: Mr. Chairman, when I refer to those matters, I am dealing with questions which relate to the financial administration of this country. I am entitled to mention what was accomplished in the past, in order to determine what has not been done recently and what is not being done now under the present regime. That is why I was enumerating all the social security acts passed by the Liberal party.

In 1927, the Old Age Pensions Act, which provided for a means test, for persons 70 years of age and over; in 1940, the Unemployment Insurance Act; in 1942, the Provincial Assistance Act, to promote the building of technical schools, thus enabling thousands of young people to learn a trade; in 1944, the Family Allowances Act, which was so beneficial to this country; in 1948, the national health program, by means of which grants were to be paid for the enlargement of hospitals, in anticipation of the Hospital Insurance Act now in force; in 1951, the Old Age Security Act, without a means test, for every person of 70 years of age and over; in 1951—

The Deputy Chairman: Order. I cannot allow the hon. member to criticize the present government's administration by making a review of the political activities of one or the other of the previous governments. I respectfully submit that those remarks are not in order.

Mr. Caron: Mr. Speaker, I find your ruling a little strict. I was making comparisons between what was done and what was not done or is not being done. I am not supposed to merely observe that I do not approve the budget because I do not like it for if that was the case, my observations would be rather limited.

I think I am entitled to prove by way of what was done in the past what this government is not doing in respect of social security legislation as well as in other fields.

Those who wished to do so were allowed to discuss the Columbia river project. A discussion on transportation was allowed, but when I try to recall what was accomplished by the Liberal party, I am immediately attacked by Conservatives and Creditists. I submit it is unfair to prevent me to recall what was done by the Liberal party compared to what the present administration has done since 1959. Besides, my recital is short and I was almost through because I had reached 1951 when was adopted the Blind Persons Act; in 1954, the Disabled Persons Act; in 1956—

The Deputy Chairman: Order. Once more, I must point out to the hon. member who has the floor that he is commenting on certain discussions which took place in this house. He mentioned, for instance, the matter of the Columbia river. He will agree that that is a problem of the present administration.

[Mr. Caron.]

Once again, I am asking the hon. member to limit his criticism to the present administration, provided he does not refer to past administrations of a decade or so ago.

Mr. Habel: I rise on a point of order. I find it strange that the chairman is so, I will not say unfair because I know you are trying to be fair in your rulings, but I will say so strict when this government is asking the house every month to vote one twelfth of the annual supply required to manage the business of a nation such as Canada. Name a business firm which would ask a bank every month for a $10,000 or $100,000 loan without submitting a financial statement.

The Deputy Chairman: I believe the hon. member's remarks do not constitute a point of order.

Mr. Dumont: On a point of order; one word only. When the four war horses of the Liberal party are absent, let the colts talk.

The Deputy Chairman: In my opinion, the member for Bellechasse has no reason for raising a point of order.

Mr. Caron: Mr. Chairman, as the member for Villeneuve is away, the member for Bellechasse is free to talk.

I shall not go back to ten years ago, but only as far as 1954. Disability pensions; in 1956, legislation promoting equal salaries for women—

Mr. Ricard: On a point of order.

The Deputy Chairman: The hon. member is an experienced parliamentarian and he should follow the Chair's instructions. If they do not suit him, the rules provide certain procedures to refuse them.

However, I trust to his vast experience and I am sure that he will get back to the subject before us: this government's administration.

Mr. Caron: Mr. Chairman, I stuck to what you said. You asked me not to go back more than ten years. That is the reason why I concentrated on the last ten years. However, if you do not agree, I can go back only two or three years because, since then, we have been under a Conservative administration.

What is the Conservative government doing to improve the situation? Absolutely nothing.

The Conservative government is only marking time as a frisky horse, but it does not run.

That is the reason why I wanted to demonstrate that under the Liberal administration we had done something, that we had not been satisfied to go blindly on as does this government.

I wanted to point out that a Liberal government acted in a more responsible way than a Conservative government which behaves, at present, like a parliament of school boys at play.

Moreover, we have proven that this government is the worst Canada has ever known since confederation.

Never has the business of the country been in the hands of such unqualified people. Never have ministers been so undecided in their actions. Never has a prime minister administered the country as the present leader of this government is doing, taking into consideration only his own pride, trying to become famous with some little insignificant measures. The Prime Minister is never up to par when the time comes to be firm in the best interest of the country. The Conservatives have the impression that they have succeeded in condensing in one single piece of legislation many laws, most of which were already in our statute books as is the case for the Canadian Bill of Rights. At a meeting held in Hamilton, lawyers—some colleagues of yours, Mr. Chairman—were heard to say that the bill of rights changes nothing in the present situation since it is already covered by the statutes of Canada.

That is the legislation which has been enacted by the Conservative government. That is their way of governing the country. It is a government of visions and commissions.

They have set up about 19 royal commissions. Every time they are stuck with a problem, they postpone the issue by setting up a royal commission.

When a royal commission like the MacPherson commission presents a report, they do not even have the courage of taking decisions. Nothing is done and the country is in a mess.

There is at present a dispute between the railroads and the trucking industry. That is due to the government's procrastination and to its failure to foresee and remedy the situation.

Every time a royal commission submits a report, they shelve it and forget about it.

Consideration has been given to the first two parts of the report presented by the commission which was set up to look into the public service. Action has already been taken without referring the question to the house. The report is being put into effect without consideration for parliament and its members.

Yet, when the party in power was sitting on this side of the house, only five years ago—they will soon be back here—they claimed that the government of the time had no respect for the principles of democracy.

Do they pay any heed to those principles? Far from it, they laugh about the matter as one parliamentary secretary is doing at present instead of contributing something worthwhile to the debate.

The present government is incompetent and that is what I set out to prove. It should have the courage of giving the civil servants who are inadequately paid the salary increase to which they are entitled.

Mr. Dumont: May I just ask a question, Mr. Chairman?

The Deputy Chairman: I must point out to the hon. member for Bellechasse that two conditions must be met before he can ask a question. First, the member who is speaking must agree to it, and second, he must have some time left. In this case, that time had expired. Therefore, unless he can obtain the unanimous consent of the house, it will be impossible for him to ask his question.

Some hon. Members: Agreed.

Mr. Dumont: I want to ask the hon. member if he would have agreed to the adjournment of the house in order to discuss the Grey cup, as his leader did?

Mr. Caron: In asking that question the hon. member shows his ignorance or his intellectual dishonesty.

When the adjournment was suggested, it was to discuss a matter of principle more important than the Grey cup itself, namely the freedom of the Canadian Broadcasting Corporation in the fields of radio and television and the problem that arises through the interference of the board of broadcast governors in those fields.

That is what my leader wanted to do; when matters of principle are involved, we never give an inch.

Mr. Dumont: May I ask a supplementary question?

The Deputy Chairman: I do not believe that in committee supplementary questions are in order.

Mr. Laprise: Mr. Chairman, in my turn, I would like to take this opportunity to express my views to the house. I have the honour of representing one of the two largest ridings in the province of Quebec, one of the 22 largest in Canada.

It is an immense riding which, in spite of a most rigorous winter and a very poor summer, would not be in such a serious situation if it had not been so neglected in the past. Located at the watershed, its subsoil is rich in minerals of all kinds, in almost infinite quantity, a large part of which is still undeveloped and untapped.

Mr. Chairman, we virtually walk on gold, on copper, on zinc and on metals of all kinds. Still, our people are reduced to extreme poverty. Unemployment is prevailing there more than anywhere else in this country, in spite of this great wealth. A few mines are being operated, but we have to export this ore in order to have it processed. We must cope with this situation as soon as possible. Moreover, the soil can be adapted to all kinds of crops. In the past, we have used it only for dairying.

In the Abitibi district, the butter dairies had to be closed because there are not enough outlets and because there are butter surpluses practically everywhere. The farmers have to buy part of their own production. That is why they lose interest in that industry. The best organized of our parishes are being deserted by farmers. Their farming revenues being too small to ensure them a decent living, they come to town where they increase the number of unemployed.

Our vast forests contain the essential products for pulpwood and timber. Here again, we must export that pulpwood, waste and bark. Yet we have waterways and waterfalls from which power could be produced to develop our own natural resources. Nobody had thought about that.

Mr. Chairman, if we directed the farm production towards beef breeding in that vast county, we could produce enough cattle for the consumption of all the population of the province of Quebec. To achieve that, the government should establish in that part of the province of Quebec an experimental farm where the climate and the nature of the soil could be studied on the spot to give better advice to cattle-breeders.

In that region which offers such possibilities, a problem has arisen which comes from that continuous concern caused by a system which allows unemployment to exist. Every part of the country suffers from that situation.

Mr. Chairman, for a long time, great men who are considered the elite of the country, have been trying to find a solution to or the causes of unemployment for which the two traditional parties are to blame.

Unemployment is a social evil which we cannot tolerate any longer. We must stop it. We must find a means to solve that problem as soon as possible. In my opinion, the best way to achieve that is to find a better market for consumer goods. As a matter of fact, if the consumer's purchasing power is not at the same level as production, we shall never be able to solve the problem.

Mr. Chairman, unfortunately, there will be thousands of families in my constituency this winter who, as a result of unemployment, will find themselves in most difficult circumstances, who will lack food, clothing, heating and medical care. And all that, in the midst of abundance.

Most of them will not be eligible for unemployment benefits, because they have remained unemployed for so long that they do not have enough stamps to be entitled to them.

Mr. Chairman, statistics show that at one time, there were 150,000 unemployed in the country, and later they show there were 350,000 and later still, 500,000. We are inclined to believe that that is the largest number of unemployed workers. The fact remains that at one period or other of the year, there may be 250,000 unemployed persons, and the number increases later on. But some of the first group, at least, have found employment, which means that by the end of the year probably one million workers might be considered as having been unemployed at some time or other during the year. So the problem of the person who has been unemployed for three, four, five or even six months in the year is not settled the day he finds employment. This class of worker must be considered as being in need, because we see that those who are lucky enough to hold permanent jobs barely manage to make both ends meet with their regular pay. Therefore, the workless, those who have to do without any income for part of the year, know the worries which can be caused by such a problem.

Mr. Chairman, there is another problem in my constituency. In my district, there are unincorporated parishes, apart from the municipal corporations. Now, the winter works program which was set up by this government

a few years ago allows municipalities to develop projects and take advantage of that program. Let us see. May I quote the first paragraph of a small folder on the winter works program which I was given. It reads as follows:

> The purpose of the municipal winter works program is to give an incentive to municipalities and communities to multiply the employment opportunities during winter—

It seems to me this means that the parishes not incorporated in municipalities can also take advantage of this winter works promotion program. However, after having checked on the matter, I have been told that the communities, in order to take advantage of this program, must apply to the county council or corporation. Then, I wondered why the corporation of the county of Abitibi was not helping out its localities. I have investigated, and here is the answer which I received from the corporation of the Abitibi county. I quote:

> When you came to my office, I told you what the situation was, and the reeve has asked me to give you a written confirmation of the decision taken by the county council.

It goes without saying that this reply is from the secretary of the corporation. I continue:

> This decision is to the effect that the corporation of Abitibi county, as a corporation, flatly refuses to take in charge the winter works program in the unorganized territories.

Mr. Chairman, this does not bring any solution to the problem of the communities.

I fully appreciate that the corporation of Abitibi county must be facing the same financial problem as nearly all the other municipalities. It has not enough money in its treasury to assist the non-incorporated parishes.

The county corporation must provide for at least 10 per cent of the salary and cost of building materials.

But the corporation does not have sufficient funds to help so many communities. That is why it cannot accomplish this task alone.

I, therefore, asked on various occasions, in this house, what the Minister of Labour intended to do in this matter, and I was told each time that I was out of order. Nobody wanted to answer those questions.

In this case, I believe it would be a good thing if the Minister of Labour, and perhaps even other members of the government came down to the level of the working classes. I even invite them to visit the Abitibi district, the county of Chapleau which I represent, to see for themselves what problems exist in that district. They would in future be in a better position to evaluate our claims.

Mr. Chairman, I do not want to dwell too much upon the subject under discussion this afternoon, but I would like to point out to the house that, in order to remedy as soon as possible the problems which our working people have to face, as well as our farmers, who have only a very small income—and some of them have practically none—and even our labourers, our workers who are unable to find any employment in their field, the government should immediately provide for a raise in family allowances to help those people right now, without increasing taxes, of course, because this always spoils the effect.

The government should also increase the so-called old age pensions and lower the retirement age. We should also increase pensions to disabled persons, to the blind and to all those in need, in order to enable them to live decently in a Canada as wealthy as it is, without having to beg elsewhere for the basic requirements of life.

Now, Mr. Chairman, such is not the case. Such measures are needed in the shortest possible time to give satisfaction to that population which would only be too happy to benefit from all the advantages Canada has to offer with all its national wealth.

Now, Mr. Chairman, we are requesting—I request it for my riding as well as for all other parts of Canada—a basic tax exemption on personal income tax raised to $5,000 per year for married people and to $3,000 for single taxpayers. In addition, it would be wise for the government to give exemptions from municipal and school taxes, in the form of a refund of municipal and school taxes, to any property owner receiving some kind of government pension.

Among about a hundred letters which I recently received, one referred to a rather pitiable case. A government pensioner who lives with his wife and who only gets $89 a month owes a $500 tax bill. When you figure the cost of electricity, water and insurance premiums, etc., you realize that they must spend $56 per month for those items alone. Now, under such circumstances, needless to say those people would prefer to lead a normal life and it is up to us to enable them to do so.

That is why we are asking for all that. If the government does not take steps to remedy the situation pretty soon, you can be sure that I will be ready to help throw it out of office.

(Text):

Mr. Berger: Mr. Chairman, I want to talk about the Columbia river treaty. The members of the New Democratic party believe that this treaty is an improvident one. It assigns to Canada the job of storing vast quantities of water, while effectively depriving Canada of the right to use the waters of the Columbia river not only for the purpose of generating electricity but also for agricultural and industrial purposes.

This treaty, if it is proceeded with, will stunt the agricultural and industrial development of British Columbia, and indeed of the prairie provinces, not just for years to come but for generations to come. This country has for years been a country of hewers of wood and drawers of water. Successive governments have been guilty of exporting Canadian resources on a wholesale basis to the United States—our oil, our minerals and our lumber. We have simply, for many, many years, been doing nothing more than that, and this is true not only of this government but of all its predecessors going back over the years. We have been giving up our resources and depriving Canadians of the opportunity to build the kind of industry we will need in this country if we are going to provide the standard of living Canadians have a right to enjoy.

The Deputy Chairman: Order; it being five o'clock it is my duty to leave the chair so that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

PRIVATE BILLS

Mr. Alan Macnaughton (Mount Royal): Mr. Speaker, by leave of the house may I request the unanimous consent of the house to giving precedence to item No. 10 appearing on page 21 of the orders of the day, a bill standing in my name?

Mr. Speaker: The hon. member for Mount Royal (Mr. Macnaughton) requests the unanimous consent of the house to giving his bill, standing as item No. 10, precedence over items 1 to 9.

Some hon. Members: Agreed.

Hon. Paul Hellyer (Trinity): Mr. Speaker, if this procedure is agreeable to the house there may be other hon. members who would wish to have the same privilege. I would like to bring forward the bill standing in my name, but perhaps we could deal with them one at a time and leave them until the first order of business has been dealt with.

Mr. Speaker: The hon. member is referring to item No. 407, I take it?

Mr. Hellyer: Yes, Mr. Speaker.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I would suggest that we follow the procedure of asking that precedence be given to these bills on the next day they come up for discussion. Some of these items are quite a long way down the order paper and there may be hon. members who wish to speak on them who would otherwise be denied the right. This right would be guaranteed them if we agreed to give them precedence on the next occasion these bills come up for discussion.

Mr. Speaker: May I indicate to the hon. member that the hon. member for Mount Royal made a similar request on Tuesday. The house did not deal with it as an order. The house moved to consider a certain item in the name of the hon. member for Marquette (Mr. Mandziuk). I do not know whether that is deemed to be sufficient notice; that is entirely up to the house. The house, naturally, must give its unanimous consent to this being done. Does the house give unanimous consent?

Some hon. Members: Agreed.

Mr. Peters: Mr. Speaker, if the hon. member would care to make his request for precedence apply to the next sitting, I have no objection. But I think there is a responsibility to see that those who are concerned with these matters are aware of any changes. If we do not do it in the way of giving precedence at the next sitting, then there may be some hon. members who are unaware that this is the way we are proceeding.

Mr. Speaker: I take it the hon. member for Timiskaming objects? He withholds unanimous consent?

Mr. Peters: Yes.

Mr. Speaker: The hon. member withholds unanimous consent to this item having precedence?

Mr. Peters: Yes, Mr. Speaker. I would like to make it very clear that if the hon. member now asks for unanimous consent to his bill being given precedence the next time these matters are up for discussion, we would be quite happy to agree to it.

Mr. Macnaughton: Mr. Speaker, I do so now.

Mr. Speaker: Therefore it is agreed that the hon. member for Mount Royal is seeking

precedence for next Tuesday for his bill, item No. 10. Is the hon. member for Trinity (Mr. Hellyer) making a similar request?

Mr. Hellyer: Yes, Mr. Speaker, I would request the same privilege.

Mr. Lewis: What is the item number?

Mr. Speaker: It is item No. 407, an act respecting the Imperial Life Assurance Company of Canada. Are there any similar requests at this time? Very well, those two items, with the consent of the house, will be given precedence on Tuesday next.

MADELEINE-FRANCOISE HANKOWSKI

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, I wish to ask the consent of the house to deal with the first nine items on the order paper en bloc. They are all bills for consideration in committee which have been passed by the other place and have been considered in our miscellaneous private bills committee. To save the time of the committee I would beg leave of the house to having them treated en bloc because the list of divorce bills from the Senate is growing and growing. We have over 400 items on the order paper right now. That is the only reason for asking that they be treated en bloc.

Mr. Speaker: The hon. member's proposal is that items 1 to 9 be referred to the committee of the whole as one group and considered by the committee in that way. Is that agreeable to the house?

Mr. Peters: Mr. Speaker, I would object to that procedure. I have some remarks to make on the first one and I would certainly hope that the hon. member is not suggesting they are all as bad as the first one may be.

Mr. Speaker: The hon. member is suggesting that items 1 to 9 be referred to the committee of the whole. When the Speaker has left the chair and the chairman has assumed the chair he will recognize any hon. member who may wish to speak.

Mr. Peters: No, there is not unanimous consent.

Mr. Speaker: In other words, the hon. member objects to this course being followed. Then item No. 1 only will be dealt with.

The house in committee on Bill No. SD-1, for the relief of Madeleine-Francoise Hankowski—Mr. Mandziuk—Mr. Paul in the chair.

On clause 1—*Marriage dissolved.*

Mr. Peters: Mr. Chairman, this is one of the first bills to pass both courts of this parliament, and it is of interest because in this case we have the right of a double examination, which the house is being asked to consider in another bill that is now before it, and to eliminate part of the protection that is now given. I think this should be borne in mind when we are discussing this particular case. It should also be borne in mind that the Senate has heard this case and the miscellaneous private bills committee has heard it. These bills were not given any consideration in the miscellaneous private bills committee, as far as I know; they were taken en bloc. Therefore I think a discussion on this bill will indicate that this is not an acceptable practice, and also that the other place is not sufficiently capable or trained to handle these particular bills.

In this case Madeleine-Francoise Hankowski is asking for a divorce from her husband Jan Paul Hankowski. There are several things involved here that are a disgrace to Canada, certainly a disgrace to this type of procedure and certainly a disgrace to at least one of the lawyers in it. After you hear the evidence, Mr. Chairman, we will ask that this lawyer be disbarred. The people who heard this case were not unaware of points of law. They were Senators Bradley, Q.C.—if it means anything, and in this case it does not —Burchill, Cameron and Gershaw. These gentlemen heard this case in the other place.

Mr. McCleave: Mr. Chairman, on a point of order—

Mr. Peters: This was a contested case—

The Deputy Chairman: Order. The hon. member has risen on a point of order.

Mr. McCleave: On a point of order, Mr. Chairman, I think it is a well understood practice that reference should not be made, particularly derogatory reference, to people from the other place. I submit that the hon. member is clearly out of order in launching a tirade of that nature. If he wants to talk about a disgrace he should hold up a mirror and see it personified fully.

Mr. Peters: On the point of order, Mr. Chairman, this is the same old argument that the hon. gentleman is involved in, and he is not completely uninvolved in this particular case because I suggest he had a responsibility. In dealing with this case let me point out some of the evidence to establish the character of Jan Paul Hankowski himself. I would refer the committee to the Senate hearing in which the lawyer for the petitioner was involved:

Q. Mrs. Hankowski, you were living with your husband where?
A. In Montreal.
Q. How long before you were married did you know him?
A. About a year.

Q. What is his occupation?
A. Freelance photographer.
Q. As such, does he have steady employment with an employer?
A. No, he works for many different people.
Q. Since you married him what have been his actions towards you, has he been a steady person?
A. No, he has been very unstable, and drinking most of the time, and certainly didn't contribute towards my support.
Q. Who is supporting you?
A. I am supporting myself.
Q. And you supported him?
A. I supported him mostly.
Q. Did he ever take money from you against your will?
A. Yes, I have seen him take money from my purse.
Q. I note you served at one time this petition on him in New York city. Why did you have to do that?
A. Because he was there at the time.
Q. Was this after the incident at the hotel—

Mr. Mandziuk: Mr. Chairman, I should like to know just what part of the evidence which the hon. member has read out so far he considers misleading, as far as the Senate divorce committee is concerned.

Mr. Peters: If the hon. gentleman will contain himself—

Mr. McCleave: On the point of order I raised a few moments ago concerning a derogatory remark about a person in the other place, I suggest to you, Mr. Chairman, that this matter should be disposed of and that you should request or order the hon. member to withdraw the remark he made.

Mr. Mandziuk: I wish to associate myself with the request of the hon. member for Halifax, because this house has a great deal of respect for those people who take it upon themselves to hear evidence in the other place. They have considerable experience—more experience than the hon. member for Timiskaming has—and they are learned in the law, or at least the chairman of the divorce committee is. They are trying to do a good job. Witnesses appear before them and I think these smears and insults are unjustified. Even our courts have experienced perjured evidence, and if the hon. member wishes to point out an instance where the Senate divorce committee was misled, we should be pleased to hear him. But I do not think it is a function of members of this committee just to read from the evidence to fill in time.

Mr. Peters: I hope the timekeeper is keeping track of the amount of time spent on these interruptions. I thank the hon. member for helping me build my case. All the evidence from which I have been reading—

Mr. Churchill: Mr. Chairman, I think it is essential that we should clear this matter up. Never in its history has the House of Commons cast reflections on people in the other chamber. Having been requested to withdraw his remarks with regard to Senator Bradley, I think the hon. member should be asked to do so by the Chair.

The Deputy Chairman: I should like to remind the hon. member for Timiskaming that standing order 35 reads as follows:

No member shall speak disrespectfully of Her Majesty, nor of any of the royal family, nor of His Excellency or the person administering the government of Canada; nor use offensive words against either house, or against any member thereof.

Mr. Peters: For my own information, would those who have raised the point of order kindly state what remark of mine they object to?

Mr. Mandziuk: I shall be glad to. I have jotted down what the hon. member said. He said that the divorce committee of the other place is not sufficiently capable, or not capable of hearing such cases. That is an accusation of incompetence.

Mr. Peters: That is a really ridiculous charge. I intend to prove what I say. At least, I hope to have the opportunity to do so.

Mr. Nasserden: On the point of order; the reference which I think the committee should take objectively was the hon. member's reference to the Q.C., and the derogatory remark he made in that regard.

The Deputy Chairman: We are not discussing here the competence of the committee. We are discussing the bill, and I am sure the hon. member will withdraw the reference he made to the committee of the other house. I ask the hon. member to withdraw the expression he used about the hon. senator.

Mr. Peters: I bow to your wishes, though I really do not know what I am withdrawing. But if there was any reflection detrimental to any person I withdraw it.

The gentleman in question in this case, as is indicated in the evidence before the Senate committee, is a person of an artistic type. That, of course, does not mean anything bad. But the evidence also says he drank too much, that he did not hold a job, that he did not make any money, that he seldom worked and that when he did he supplemented the little he earned by money he got from his wife and other women. Every lawyer knows that consideration is given to the character and moral standing of people who appear in these cases. Being in possession of this information, the committee, both in this house and in the other place, was faced with an affidavit from this gentleman,

a contestation. It is signed by a well-known lawyer in Ottawa and it says:

> Take notice that the respondent Jan Paul Hankowski desires to oppose the granting of the divorce prayed for by the petitioner herein. The respondent resides at 144 East-40th Street, Room 201, New York City, State of New York, one of the United States of America.

The statement goes on to give the addresses at which the respondent can be reached in Ottawa and through his barrister. Then it continues:

> The respondent Jan Paul Hankowski states that he has never been domiciled in Canada and that moreover the petitioner is not domiciled in Canada. The respondent further denies the allegations contained in paragraph 7 of the petition.

What evidence do we have to show that this may have been a fact?

Mr. Mandziuk: May I ask the hon. member a question? I do not know from what document the hon. member has been reading, hence the reason for my question. I have the evidence here and it says that the respondent and the corespondent were called but did not appear. I should like to know whether this affidavit which the hon. member has read was filed subsequently with the Senate divorce committee?

I have a further question to ask. If the hon. member was aware of this why did he not himself or through a colleague in his party submit this for consideration by the committee on miscellaneous and private bills when it met?

Mr. Peters: That is exactly the problem. The committee on private and miscellaneous bills met without ever looking at the evidence in this particular case. The hon. member for Marquette is not aware of what is contained in the official documents. He asks why I did not raise this before. I only asked for this evidence on Thursday of last week and I now have before me a factual record giving all the details.

Mr. Mandziuk: If the hon. member—

Mr. Peters: Mr. Chairman, I wish to continue my argument.

Mr. Mandziuk: On a point of order.

Mr. Peters: I trust this will be deducted from my time.

Mr. Mandziuk: I will agree to that. Mr. Chairman, what the hon. member just said is a reflection on the members of the miscellaneous private bills committee, that they do not look into matters carefully enough. The members of the miscellaneous private bills committee get a transcript of evidence and that is all they get. There is nothing in the transcript of evidence to give us any indication—

Mr. Lewis: Mr. Chairman, may I respectfully suggest that the hon. member is not making a point of order, and he should not, under the guise of a point of order, be making a speech in the middle of another hon. member's speech. I respectfully ask him, if he has a defence to make, to make it after the hon. member for Timiskaming has finished.

Mr. Mandziuk: I suggest that I am trying to set the record straight.

Mr. Brewin: On the point of order, he is trying to defend the incompetence of the miscellaneous private bills committee.

Mr. Mandziuk: One of your colleagues was present on the committee which considered this bill.

The Deputy Chairman: I think the hon. member for York South is right, and that the hon. member for Marquette is trying to argue the remarks made by the hon. member for Timiskaming. When the hon. member who has the floor has finished his remarks, the hon. member for Marquette can have the floor if the Chair recognizes him. I should like to ask the hon. member for Timiskaming to address his remarks to the Chair.

Mr. Peters: Mr. Chairman, on page 11 of the evidence—

Mr. McCleave: Mr. Chairman, I rise on a point of order directed to the remarks of the hon. member for Timiskaming when he suggested that hon. members of this house are incompetent. That clearly offends standing order 35, and the long established practice that we come here and discuss our affairs as gentlemen.

Mr. Peters: On the point of order, I do not say that about the members: I say it about the committee.

Mr. Mandziuk: You said they were incompetent.

Mr. Matheson: "Incompetent gentlemen".

The Deputy Chairman: I think the remarks of the hon. member for Timiskaming were directed to the efficiency of the committee, not of the members of the committee.

Mr. Peters: I do not even know who the members of the committee are, Mr. Chairman. If you will check the evidence, you will find that this gentleman was born in Warsaw, Poland; that he came to Canada when he was three years of age. If you check any competent authority on domicile, you will find that the domicile of origin is the domicile in which you are born, and can be changed only by doing certain things to change it. It is also

true—the hon. member laughs. He is responsible for the committee, but obviously he has not read this bill. The law on this question says:

> To everyone at birth the law ascribes a domicil of origin. This domicil clings to one through life and cannot be cast off. It may be submerged by the acquisition of a domicil of choice but it will revive upon the relinquishment of such domicil if a new domicil of choice is not immediately acquired.

Even if he had taken Canadian domicile, when he went to the United States in 1956 he would have had to take either American domicile in the state of New York or revert to his Polish domicile of birth.

Now, Mr. Chairman, knowing this, and having before them this statement presented by the solicitor for Hankowski, the Senate admitted another statement which was presented on June 13, 1961, signed by Mr. Hankowski, which is as follows:

> The respondent declares that he withdraws his opposition herein and gives notice thereof to Mr. John M. Schlesinger, attorney for petitioner. The respondent moreover agrees that the domicile of the parties is in the city and district of Montreal.

Mr. Chairman, does it take much intelligence to wonder why in one month he changed his mind? He was a man who had no money and no job. He was a man considered by his wife to be a shiftless character. Why should he come back to Canada? Why should he go to his wife's lawyer's office—not his own, but his wife's—and sign a document saying that he withdrew his objection to the divorce and declared himself to have his domicile in Canada so that his wife might also have a domicile in Canada? Mr. Chairman, this could not happen in any competent court in Canada. No judge would allow it. And to make things worse, let me tell you that when the original petition was presented by the petitioner, and the secretary of the attorney for the petitioner signed this second document in Montreal on May 2, 1961, she happened to sign it "Shirley R. Taviss, commissioner of the superior court for the district of Montreal." It is a fundamental fact that no employee of one lawyer can sign a document that his employer is in all conscience interested in. Why I said that the senators should know better is that three of the four senators have had some legal training. One of them is a Q.C., which is an honour to uphold. I suggest that it is a fundamental matter when a secretary, who might have the right to commission oaths, signs a document submitted by the respondent in this case, without the lawyer for the petitioner notifying the respondent's lawyer that there is some change in instructions which was given to the secretary who administered the oath. Any court would make this invalid. I think that every lawyer knows that, and I would ask the hon. member for Halifax and the hon. member for Marquette, who are both lawyers, whether they disagree with this principle. They have the training which I have not had, but I would suggest that here is a flagrant case in which I can do nothing but assume from the evidence that there has been a pay-off.

I suggest that the miscellaneous private bills committee of this house have the responsibility upon them of calling this back into committee, calling in the officials and all the people connected with it, and that charges should be laid by this house in this case. Mr. Chairman, I phoned the lawyer handling the case for the respondent today, and asked him what arrangement had been made when he dropped the case. He told me that today was the first time he knew that the case had not been dropped. He said that he knew that this question of domicile was definite, and he pointed out that the Senate obviously would not handle it, and he was shocked when he found that the case had been presented to that house, had passed the Senate, and that no questions had been asked about domicile or this intervention. He did not know and was not notified that this case was coming up before the Senate.

Mr. Chairman, we are asked in another bill which is before this house to give the Senate the full responsibility for divorce. I say that not only has the Senate not the ability to handle divorce, but that this house and the Senate together have not the ability to do so. In this case—

Mr. McCleave: On a point of order—

Mr. Peters: —it is our responsibility and privilege—

The Deputy Chairman: Order.

Mr. Peters: —to do something about this question.

The Deputy Chairman: Order. I would ask the hon. member, when the Chair rises to its feet, please to sit down. I would ask the hon. member for Timiskaming to withdraw the last part of his remarks about the members of the Senate. I think that those remarks are out of order, and I am sure that if he refers to standing order 35 he will agree to withdraw them.

Mr. Peters: Mr. Chairman, I withdraw any reflection on them as individuals, but I think you would have to adjudicate upon the charges I have made in this case if you were to ask me to withdraw anything more than that. If it is only as to disrespect implied to individuals, then I am quite happy to withdraw that.

Mr. McCleave: Speaking on the point of order, Mr. Chairman, may I say that rule 35 clearly states as follows:

—nor use offensive words against either house, or against any member thereof.

Hence the partial retraction is not complete enough. The retraction must be of the offensive words used against the Senate as well. That point is clearly spelled out in this rule.

An hon. Member: This is getting ridiculous.

Mr. Barnett: I am sure these remarks were never intended to mean that members of this house could not assess the worth or otherwise of the work that is done by this house from time to time or for that matter by the other place. I feel that the hon. member is really stretching that matter to ridiculous extremes if he is trying to imply that the hon. member for Timiskaming has cast a reflection upon other members of this house or of the other place as individuals.

An hon. Member: Did you hear him talking?

Mr. Barnett: Yes, I heard him.

Mr. Aiken: May I ask the hon. member a question for the purpose of clarification of my own mind? He read an affidavit which I understood him to say was not anywhere in the evidence which has previously appeared. Is this correct? Is the affidavit he read today something new or was it in the original evidence?

Mr. Peters: No. Unfortunately the part of the evidence we have before us usually is only the printed report of the committee of the other place. This is the complete file or the complete document. This was dated May 4, 1961. This was before the other place. The second document from which I read, and which I think certainly has been open to question, because of the commissioner who signed it being the secretary of the lawyer concerned for the plaintiff, was before the other place and it was signed on June 13, 1961. No new evidence has been adduced, no evidence that was not already presented in the original hearing.

Mr. Aiken: If I may, presuming that the hon. member has finished, I should like to say a few words on this subject as a member of the private bills committee. Some criticism of the committee has been expressed. I am a member of that committee and I attended the sittings in which this particular divorce matter was considered. The reason I am saying this is that at that time there was present a member of the party to which the hon. member for Timiskaming belongs. At that time I particularly asked if any of the cases before us had attached to them any question of credibility. From time to time there have been raised cases such as those raised today, in which there has been some question about the reliability of evidence and the propriety of the proceedings. This question was particularly asked at that time and I was assured—and no one said otherwise—that with regard to none of the group of cases that were considered that day had any question ever been raised. Therefore the group of bills was put through.

While I am inclined to agree that, if the circumstances which have been stated are correct, perhaps there should have been second consideration of this bill, I feel that it is extremely unfortunate that the matter was not raised then, before the private bills committee. This evidence which the hon. member has produced was not before the private bills committee. It was the file that was before the Senate. I feel that it is now rather late. I do not know just what action we should take. If these statements are true, then perhaps the matter should be reconsidered.

In connection with the question of domicile, may I say that the hon. member for Timiskaming has made the matter sound terribly simple. As all of those trained in the law know very well, questions of domicile are not simple, particularly when a person has been born in Poland, resides for some time in Canada and then moves to the United States. I say that the matter is not as simple as he has stated it to be. It is an extremely complicated matter when a person has moved about and has stayed for some time in one place and another. I say that the question of domicile is one which certainly is not as simple as black and white or yes and no. If the hon. senators in the other place had all these facts before them, I believe they must have come to the conclusion that the question of domicile has been satisfactorily answered, and perhaps even without the second affidavit they would have been satisfied with the evidence that this person was actually domiciled in Canada. At this particular point in the proceedings I do not feel that we should go back, as it is not an open and shut case. It is something that has happened. Unfortunately, it was not considered in the private bills committee for the simple reason that it was never raised.

Mr. Matheson: May I ask the hon. member a question?

Mr. Aiken: May I first finish my remarks?

Mr. Matheson: Yes.

Mr. Aiken: Even if the matter had been raised there, I doubt very much that the

committee would go back and reconsider the question of domicile, unless there was a fairly definite indication that something was wrong. Here was a case in which the domicile could very well have been in Canada and probably was in Canada. However, without going into a complete retrial of the matter I think we should accept the decision which was made in the other place.

Mr. Matheson: May I ask my hon. friend whether he would agree that if, in fact, there is no domicile in the province of Quebec in this particular instance, then the bill has no legal validity; that is to say, it is not entitled to international recognition and, in the event of these people subsequently marrying, any issue of these marriages would be deemed, by the rules of private international law, illegitimate? Am I not correct?

Mr. Aiken: This is a complicated hypothetical question, Mr. Chairman. What I say is this. If this parliament grants a divorce bill in Canada, it is completely effective in Canada; and I think we cannot consider too much about what will happen in other countries. That is the affair of the parties to the divorce. I answer the hon. member in that way.

Mr. Mandziuk: I wish to be fair to the hon. member for Timiskaming as well as to the other hon. members of this House of Commons. If the evidence is such that the matter should be referred back to the miscellaneous private bills committee I, who have the honour to be the chairman of that committee, would consent to a transfer of it there. However, I wish to state this. There are 901 divorce cases. Most of them have gone through the other place. Some must be heard. If anyone in this house or in this country expects the members of the miscellaneous private bills committee to read every file of evidence from the other place, then I will be the first one to resign and get off that committee, as it is an impossibility. We carried on the practice which has been carried on for years. There are cases in which the committee, this house and the other place have been misled. These things have happened in our courts. We had a recent case in Toronto where a decree absolute was granted and yet application was made for annulment, it was proved that the divorce was granted on perjured evidence, and the divorce was annulled.

We wish to do the right and the fair thing. I have a great deal of respect for the Senate divorce committee. Those people put in a great deal of time. I have sat in on several of their hearings and I can assure you, Mr. Chairman, that the chairman and the members of the committee spend more time in trying to dig into evidence and in examining witnesses than do some of our judges in our superior courts to whom a petition is made for divorce. I have a lot of respect for their judgment, and if the odd case slips through in which there is some irregularity I do not think it is the fault of the other place or the fault of the miscellaneous private bills committee of this house. As a matter of fact, there are three members of the party to which the hon. member for Timiskaming belongs who are members of the miscellaneous private bills committee. One of them was present, and I only regret that he did not bring up this matter, if it had been drawn to his attention. I would agree to have this bill sent back to the miscellaneous private bills committee for further study if we can proceed with others and not waste any more time.

Mr. Mather: Mr. Chairman, as one of the representatives of our party on the miscellaneous private bills committee I want to say that in my opinion what we have heard in the last hour simply underlines the long held contention of certain members of our party, which is basically that the members of the private bills committees of the other place and of this house lack the energy, the technical ability and the time to deal with these cases properly. The reason that members of this party on that committee did not raise this issue in the committee is that we lacked the energy and ability at the time, and we have no confidence in that committee or in the other place with respect to dealing with these bills. I think what has just been drawn to our attention ably illustrates the correctness of our position.

Mr. Nesbitt: Mr. Chairman, there is one thing that I think some hon. members have perhaps forgotten, or to which they have perhaps not paid full attention. Under the British North America Act this parliament has the power to pass any act it wishes for which authority is given under that act. The fact of the matter is that the committees of the other place and this house have normally followed certain rules regarding divorce, namely that the ground must be adultery, but I would point out that this is only a matter of custom. They have the power to grant a divorce for any reason whatsoever.

The second point has to do with the question of domicile raised by the hon. member for Timiskaming. This is not a question of fact or law alone but a question of mixed law and fact. It is not the duty of this house or, indeed, of the other place, to start deciding questions of law but rather to decide questions of fact, and domicile is always a mixture of the two. In any event, parliament can grant divorce for any reason

it likes. Because of the normal custom of granting divorce for one reason only I think the point I have made may have been overlooked.

Mr. Scott: Mr. Chairman, I should like to make a few comments on the bill and in so doing I should like to preface them by saying that I hope anything I say will not be construed as being disrespectful to members of the house or the committee, or members of the other place. But, Mr. Chairman, when as a member of the bar of Ontario I take a look at this bill it is really shocking to see how these matters are handled.

I agree completely with the hon. member who just spoke, that once we get into the question of divorce it does not really matter what grounds are used. He is quite correct. Within our legislative jurisdiction we can grant a divorce on any ground we like to anybody in Canada. But the hon. member had better not publicize this fact too widely or we will have thousands of these cases from every part of Canada in the next session. Many more people from all over the country will be coming to us for divorces, and if hon. members think we are tied up now, just wait a year or two and we will be dealing with nothing but divorce.

I should like to comment also on the remarks of the chairman of the committee, with which I wholly concur, when he says it is an absolute impossibility for his committee, no matter how hard working its members are, no matter how sincere they are, no matter how desirous they are of doing a good job, to deal with these bills adequately. I could not agree more. Indeed, Mr. Chairman, that is the whole point we are trying to make, and what has happened in the house this afternoon points up the absurdity of us as members of the House of Commons trying to go into matters of this kind. This is the whole purpose of our party raising this issue in the way we have. We have no desire at all to prevent people getting divorces. As far as I am concerned, I will vote for all of them as they go through. But what we are trying to point out to the house and to the country at large is the absolutely ridiculous position in which we as members of the House of Commons are placed.

The Deputy Chairman: Order. I think the hon. member is now discussing the procedure with respect to divorce bills generally and I would ask him to come back to the bill we are at present studying in committee.

Mr. Scott: I will be very glad to do so. I have made the point I wanted to make, I will be glad to come back to the bill. When the brief that was before the other place was first shown to me this afternoon by the hon. member for Timiskaming and he told me of his objections, I did not really think that the things he said could possibly be true. So prior to this hour arriving I had occasion to take the brief that was before the other place and to study it. I understand that this was not done in the miscellaneous private bills committee, but the hon. member for Timiskaming has raised a very grave charge to which any member of the bar in any jurisdiction would have to listen.

Let us consider what happened here, Mr. Chairman, because with all the interjections the committee may have lost sight of it. The plaintiff commenced the divorce action and her husband was served with the papers. He then went to a solicitor in Ottawa and filed a notice that he wished to contest the divorce. This was done on the 4th of May, 1961. This was then a contested divorce action. Just a month later a document is prepared and is signed by the defendant husband in which he withdraws his objection, changes his mind and says that he is now domiciled in Montreal whereas he had previously said that he had never been previously domiciled in Canada at all.

The really serious part of this matter, Mr. Chairman, is that the second document is a sworn document sworn by the secretary of the lawyer acting for the wife. There is no court anywhere in Canada that would permit this matter to go through. If in a normal court of law a contested divorce action suddenly becomes an uncontested divorce action, the judge immediately requires the plaintiff, the defendant and the lawyers to come and explain to him why all of a sudden a defended action has become an undefended action. This is just normal court procedure. But, Mr. Chairman, if a judge in any court in Canada saw that the notice withdrawing objection was sworn by the secretary of the lawyer acting for the plaintiff the matter woud likely be referred to the discipline committee of the local bar association.

There is no possibility of any court in Canada permitting a divorce of this kind to go through without a very serious investigation as to how these circumstances arose. Yet this bill was before members of the other place and was passed by them. It then went to a committee of our own house and was passed. I cast no reflection on the members of that committee because obviously they did not have the facts before them. The bill has now come back to the house. Had it not been for the industrious methods adopted by the hon. member for Timiskaming in looking into these divorce actions, taking his duty seriously and going into the evidence as we are all supposed to do, if we are going to

legislate on these matters, this very serious matter would never have come to our attention.

Now, Mr. Chairman, the other matter raised by the hon. member for Timiskaming was that of domicile. Of course, he is quite right. There is no domicile here in the province of Quebec. The man was born in Warsaw, came to Canada for a little while and wandered around from place to place. Eventually, he ended up in Miami and from Miami he went to New York. He was served with the papers in New York, but not at the address at which he was supposed to be living, an address 17 blocks away. This may be a minor discrepancy in the papers, however. Certainly, Mr. Chairman, there is no domicile here at all. Perhaps we should not concern ourselves because, as the hon. member has said, we do not really have to care about domicile.

However, we are trying to point out that this bill before us has never really received the proper study and consideration to which it is entitled. The committee of the other place and the committee of this house, perhaps through no fault of their own, are just not in a position to give these matters the study they properly deserve. My hon. friend says we should not concern ourselves with points of law. However, we are forced to do so. We are put in the position of being judges when these matters come before us, and we must consider them in that capacity.

Before I sit down, I should like to inquire of the chairman of the committee on miscellaneous private bills if he is prepared to move a motion that this bill be referred back to that committee for further study. I would be glad if he would do so, otherwise I would do so.

Mr. Mandziuk: I am sorry, Mr. Chairman, I did not hear the hon. member.

Mr. Scott: I was saying that the chairman of the house committee was good enough to indicate earlier that, in view of the issues we have raised, he would be prepared to move that this bill be referred back to the miscellaneous private bills committee. I wanted to extend him the courtesy of doing that, rather than moving it myself.

Mr. Mandziuk: I shall so move, Mr. Chairman.

The Deputy Chairman: I believe that this committee should carry the bill and then before the bill is read a third time it will be in order to move an amendment to the effect that the bill be referred back to the miscellaneous private bills committee. I think it is the desire of the committee to follow this procedure.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall the bill be read a third time, now?

Mr. Stanley Knowles (Winnipeg North Centre): Obviously, Mr. Speaker, you cannot know what went on in committee of the whole. There was an undertaking that if this bill were proceeded with to third reading today, there would be a motion that it be not now read a third time but that it be referred back to the standing committee on miscellaneous private bills. I assume the hon. member for Marquette is going to make that motion.

Mr. Nicholas Mandziuk (Marquette): That is quite right; I move that the bill be referred to the miscellaneous private bills committee, before receiving third reading.

Mr. Speaker: I think the proper procedure would be for the hon. member for Marquette to move the third reading and then an amendment could be put by someone that the bill be referred back to the committee, pursuant to citation 416, I think it is.

Mr. Mandziuk thereupon moved the third reading of the bill.

Mr. Reid Scott (Danforth): I move:

That the bill be not now read the third time but that the said bill be referred to the standing committee on miscellaneous private bills for reconsideration.

Mr. Speaker: I find some difficulty with the wording of the hon. member's amendment. I think the amendment should be that after the word "be" in the motion the following words be deleted and there be substituted therefor, "referred back to the miscellaneous private bills committee".

The hon. member for Danforth (Mr. Scott) moves, seconded by the hon. member for Timiskaming (Mr. Peters) in amendment:

That the bill be referred back to the miscellaneous private bills committee.

The question is on the amendment. Is it agreed?

Amendment agreed to.

Mr. Speaker: Therefore, the main motion is now that the bill be referred back to the committee. Is it agreed?

Motion as amended agreed to.

Mr. Speaker: In view of the fact that it is now one minute to six, I will call it six

o'clock. The hour appointed for consideration of private members' business having expired, the house will revert to the business that was interrupted at five o'clock.

(Translation):

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20, $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

At six o'clock the committee took recess.

(Text):

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Berger: Mr. Chairman, when the committee rose I had been talking about the Columbia river treaty. I said that it was an improvident treaty. I said that it assigned to Canada the job of storing vast quantities of water while effectively depriving us of the right to use the waters of the Columbia, not only for the purpose of generating electric power but also for industrial and agricultural purposes. I said the treaty would stunt the agricultural and industrial development of British Columbia, and indeed of the prairie provinces, not just for years to come but for generations to come. I pointed out that under successive governments Canadians have given up control over their resources, over their minerals, over their oil, over their manufacturing industries, over their savings; and now this government proposes that Canadians should give up control over their water resources in an area, the Columbia river basin, occupying 40,000 square miles.

The government has already signed this treaty. It has not yet brought it before the House of Commons for ratification. We in the New Democratic party can assure the government that when it is brought before the House of Commons, unless the government makes out a case, which so far is lacking, to justify this treaty, a case which no member of the ministry so far during this parliament has made any attempt to adumbrate to the house, the members of this party will resist the treaty. There is no question about that.

Under the old Liberal government Canadians were simply hewers of wood and drawers of water. The old Liberal government was the government in power when Canadians gave up control over their key industries and key resources to United States interests. No one can say that things have not changed under the Conservative government. Our function under the Columbia river treaty is one of storage. We are going to store the water of the Columbia river basin, water which will be used for agricultural and industrial development in the United States. Under the Conservative government we have become hewers of wood and storers of water.

For too many years we in Canada have been giving up control over Canada itself. There is really no necessity, I suppose, to recapitulate to members of the committee what has happened. We no longer control our own oil; the United States does. We no longer control our own mineral resources; the United States does. We do not control any longer our automobile manufacturing industry; the United States does. We do not control our appliance industry; the United States does. We do not even control our own savings any more: the great financial institutions of this country, the mortgage companies, the insurance companies, the investment companies are under control of United States interests.

To a great extent this has happened by default. The old Liberal government, and the same is true of the present government, did nothing to encourage the generation of Canadian capital. They did nothing to expand Canadian ownership. They did nothing to discourage the acquisition of Canadian resources by United States interests.

It is true that these developments took place in the private sector of the economy.

But in the case of the Columbia river treaty—which we contend is nothing more or less than a gigantic give-away of the control over the water of a whole river basin—there can be no excuse. The government is not dealing here with a development that has taken place in the private sector of the economy; the government is dealing here with a public resource. For the government to retain control over the water resources of the Columbia river basin would not entail any encroachment on private enterprise; it would not impair the right of businessmen, leaders of industry and the like, to carry on their operations as they saw fit. In this case it is a situation where the government has complete control and, in my submission, complete responsibility for what happens to the water resources of the Columbia river.

In this case this is what the government is doing: In the past Canadians, through the failure of previous governments to act, have given up control over their oil, their mineral resources, their agricultural resources, over resources of every type and variety. But this is the first time that we are actually giving up control over a whole river basin. This, I suggest, constitutes some kind of a record, a record of which this government should not be proud.

Let me tell the members of the committee what this treaty does. Let me inform the members of the committee why the members of the New Democratic party oppose this treaty. Let us take a look at the treaty. I have said that Canada's only function under this treaty is to build storage dams. That is mandatory under article II of the treaty. I notice that the Minister of Public Works has joined us this evening, and he may deal with this subject if he decides to defend the treaty, if he can. It is true that the treaty provides for the development of power at Mica creek. This is the one dam where there will be generating capacity developed in Canada. But because the treaty prevents us from diverting the waters of the Kootenay river into the Columbia river the potential generating capacity of the Mica creek dam is markedly reduced. I suggest it is unlikely that if this treaty is proceeded with the Mica creek dam will ever be built. Under the treaty, if there is any delay in building these storage dams and, I repeat it is mandatory that we build these dams—

Mr. Fulton: Has the hon. member read the treaty? If he has, does he not admit that the treaty specifically gives us the right to divert the waters of the Kootenay river into the Columbia river in stages, should we wish to do so?

[Mr. Berger.]

Mr. Berger: I have read the treaty. The minister will admit, I think, that we cannot achieve any substantial diversion until 60 years have passed.

Mr. Fulton: In 20 years we can divert 1,500,000 acre-feet per annum. After 60 and 80 years respectively we can divert practically the whole river.

Mr. Berger: I wonder, Mr. Chairman, if you would protect me from this attempt of the minister to invade the time at my disposal?

Mr. Fulton: Then tell the truth about the treaty.

Mr. Berger: I am telling the truth about the treaty if the minister will contain himself.

Mr. Douglas: Surely there will be ample opportunity for members to speak in this debate. We have been trying to get this minister on his feet for a long time. I suggest the minister ought to obey the rules of this house as much as any private member.

Mr. Berger: I was about to tell the minister that the only dam where we can generate hydroelectric power in Canada under this treaty is the Mica creek dam and because we are prevented for all practical purposes from diverting the waters of the Kootenay to the Columbia the capacity for generating hydroelectric power at Mica creek is markedly reduced. I suggest that if this treaty is proceeded with, the Mica creek dam will never be built. I was about to put this consideration before the minister—that in this treaty the only thing that is mandatory is the construction of the three storage dams in Canada. It is not mandatory to build dams which will create generating capacity in Canada. If we are behind schedule in the construction of these dams we are to be penalized and deprived of the downstream benefits, the right to share the additional capacity which would result in the United States from storage in Canada.

Under this treaty we have tied our hands regarding the future development not only of the Columbia river but of two other rivers of this country, the Kootenay river and the Fraser river.

Hon. members who were here this afternoon heard a speech by one of my hon. friends who is more familiar with the problems of the Columbia river basin than any other member of the house. I refer to the hon. member for Kootenay West. The house will recall his reference to the boundary waters treaty of 1909. Article II of that treaty, which is most significant for Canadians to consider when they are contemplating the use of their water resources, provides that Canada and

the United States shall have exclusive use and control over all waters that each country has on its own side of the border.

So Canada has the exclusive right to use and to divert the waters of the Columbia river. As Mr. James Ripley, an engineer who is probably proved better qualified to speak on the Columbia river treaty than anyone else, except, perhaps, General McNaughton, has said, the key to the development of the Columbia is diversion. And we have deprived ourselves of the right to divert the waters of three rivers under this treaty.

Under the McNaughton plan, which the government abandoned at the behest of the government of British Columbia, the door would have been left open for the future development of the power of the Columbia river at Mica creek as well as for the development in the perhaps not too distant future of the hydroelectric potential of the Fraser river and the development of the prairie provinces through the utilization of the waters of the Columbia river.

The McNaughton plan kept the door open to all of these things. It provided for the diversion of the waters of the Kootenay to the Columbia. This would have enabled Canada to generate enormous hydroelectric power at Mica creek. The McNaughton plan left the door open for the diversion of the waters of the Kootenay and the Columbia to the prairie provinces for industrial and agricultural purposes, and it left the door open to the diversion of the waters of the Columbia into the Fraser. This is not a practical question at the moment because the Fraser river must be left free of dams to enable salmon to get up river and down river. But it might not be very many years before we achieve a break through and find a way of enabling fish to get round hydroelectric dams. When that day comes, when it is possible for us to develop the hydroelectric potential of the Fraser by diverting the waters of the Columbia river, we shall find we cannot go ahead with it because we are prevented under the terms of this treaty.

Mr. Fulton: We shall be able to do so.

Mr. Berger: The minister will have an opportunity later in the evening to reply to what has been said.

Let us consider these downstream benefits. I am still not sure what the position of the government is—whether they think these downstream benefits should be returned to us in the form of power or whether we should accept a cash payment for them. For that matter I am not sure what position the province of British Columbia has taken. But in any case under the terms of the present treaty these benefits will disappear as the years go by. Under the present treaty, Canada is to share the additional power which will be generated downstream in the United States as the result of the additional storage created in Canada. But as the United States brings in additional sources of power, as atomic power is generated—and there is an important development in the field of atomic power taking place today in the northwestern United States —Canada's share of the downstream benefits will decline. This is the opinion expressed by Mr. Ripley and other experts. As the years go by, the downstream benefits will diminish until they no longer exist. This is something which the committee should consider very seriously.

When I indicated that the prospects are that the requirements of the United States for hydroelectric power will diminish, I was thinking of the world's largest atomic plant already under construction at Hanford, Washington, where atomic power will be produced as early as 1964. Yet this government tells us we have a long term prospect of getting downstream benefits. I say these benefits are going to diminish. They are not downstream benefits, they are dubious benefits.

Why is the government now ready to proceed with the sale of the downstream benefits in accordance with the wishes of the government of British Columbia? The government was adamant before June 18 on this particular subject. After that we had austerity, a dollar crisis, and the government needed United States dollars badly. Then the government changed its position and was ready to agree to the sale of downstream benefits of the Columbia to the United States.

Mr. Chairman, the only conclusion we can come to is that this government, so badly in need of American dollars, simply decided to change its policy and decided to sell the downstream benefits to the United States in order to get the dollars to pay off the mortgage Canada owes to United States interests. In 1961 the sum of $700 million in profits and dividends went from Canada to the United States. This is the reason for the dollar crisis. This is the reason for the balance of payments crisis. And this has happened because United States interests have a mortgage on Canadian resources. How did this government propose to pay that mortgage off? They chose what I suggest is the wrong way, the worst way, to pay it off: they decided to pay off this mortgage against Canadian resources by giving up control over the waters of a 40,000 square mile river basin, waters which would enable us to develop the agricultural and industrial potential of that area, which in turn might eventually enable

us to pay off this mortgage. The government is simply paying off this mortgage by taking out another mortgage.

Mr. Chairman, I know that the members of this party are pleased to see the Minister of Public Works here this evening to defend the treaty, if it is defensible, which I doubt. As a matter of fact, when the Minister of Public Works recently decided to undertake a new venture into a new field of political activity in my home province of British Columbia—and I am sure hon. members from British Columbia are to some extent unhappy that his distinguished parliamentary career is coming to an end—some people said that he was leaving a sinking ship. His presence here tonight means, I take it, that he has decided to stay aboard long enough to man the pumps with his colleagues, at least for a decent interval.

I said that what the government was proposing to do under this treaty was to give away a river. Mr. Ripley has said that if we proceed with this treaty we would lose control of the waters of the Columbia river forever. This is the statement not of a member of the New Democratic party, not of a controversial military man, but of a man who took the trouble to find out what was going on in the Columbia river basin, and who took the trouble to find out what the treaty was all about. He discovered that if the Columbia river treaty were proceeded with it would deprive Canadians of control of the waters of the Columbia river basin forever. These are the waters on which the people of the Columbia river basin depend for their livelihood. Keep in mind, Mr. Chairman, that water is an increasingly valuable commodity today. The demand for water for domestic, agricultural and industrial purposes is increasing more rapidly than demand for any other commodity. Yet our government proposes to give up control over the waters of the Columbia river basin.

Let me demonstrate, if I can, to the members of this committee what it is the government is trying to do. Suppose that the government signed a treaty with a foreign country which gave to that foreign country control over the waters of the province of Newfoundland. I would remind hon. members that the province of Newfoundland is 40,000 square miles in area, equivalent to the area of the Columbia river basin. Suppose the government signed a treaty giving up control over the waters of Newfoundland.

Mr. McGrath: Would the hon. gentleman permit me to interrupt him at this point?

Mr. Berger: I would rather he waited till I had finished.

[Mr. Berger.]

Mr. McGrath: I just wanted to correct the record. The area of Newfoundland covers 155,000 square miles, not 40,000.

Mr. Berger: I think the hon. member has a point there. I meant the island of Newfoundland is 40,000 square miles in area. I pointed out that this is equivalent to the area of the Columbia river basin, and if this government proposed to sign a treaty giving up control over the waters of Newfoundland, I think there would be great resistance to this, not only from members of all parties from that province, but even perhaps the premier of Newfoundland himself would object to it. If that happened surely everybody would be made to see the foolishness, the recklessness and the improvidence of taking such a step, a step which could only have the worst possible consequences for the people of that province. And in the case of the Columbia river basin, this treaty would be the worst possible step to take for the people in that basin, in British Columbia, and in all Canada for that matter.

But that is what is happening. That is precisely what the government is proposing to do. I do not know whether hon. members from Newfoundland would oppose such a step if the government proposed to take it, but I can assure the Minister of Public Works that the members of the New Democratic party from British Columbia are going to oppose this treaty, because it is just as extravagant a mistake as it would be to give up control over the waters of the province of Newfoundland.

I suggest that when the minister tells us why the government is proceeding with this treaty, when he tells us when the government is going to bring the treaty before the external affairs committee of this house, when he tells us when we will get a chance to debate it as a matter of government business, we will look forward to hearing him.

The members of this party do not take a negative attitude towards this problem. We believe that the government ought to renegotiate the treaty and ought to adopt the McNaughton plan. The McNaughton plan was at one stage agreed to by the members of the international joint commission, both Canadian members and United States members. If the government had stood up to the government of the province of British Columbia at that time, we could have had a treaty based on the McNaughton plan which would enable Canadians to develop the full hydroelectric potential of the Columbia river basin, and enable us to retain control over the waters of the Columbia river basin. It would also have been a treaty which would have been fair to the United States, because they

agreed to it before this government gave in to the demands of the premier of British Columbia and abandoned it in favour of the reckless and improvident treaty which the government have already signed with the government of the United States.

We suggest to the government that there is still time to rectify this mistake. There is still time to renegotiate the treaty on the basis of the McNaughton plan. The members of this party urge the government to take the necessary steps before it is too late to renegotiate this treaty. We can assure the government that if it will undertake to renegotiate it and to adopt the McNaughton plan, and persuade the Americans, who I believe can be persuaded, to go back to the McNaughton plan, it can be assured that in that endeavour it will have the support of the members of the New Democratic party in the House of Commons.

Mr. Byrne: Mr. Chairman, I am pleased to note that the Minister of Public Works is in his seat this evening. We of the Liberal party have taken note that he is shortly leaving for greener fields—greener in the sense that he is leaving for the land of the evergreen forests. We wish him well. We wish him health and happiness but, of course, nothing more.

In the meantime, Mr. Chairman, we think there are a few questions that the minister should be required to answer with respect to the draft Columbia river treaty which he signed in Washington on January 17, 1961.

Feeling as strongly as we did, the leader of the official opposition on Friday last moved to adjourn the house in order to discuss this very urgent matter. Through the press, the radio and television we had determined that the minister was accepting another position and that he expected to wind up his affairs in the department in a few weeks. Through questions in the house over the past several weeks we had determined that there was no real reason why this treaty should not be before the House of Commons or a committee of the House of Commons in order that inquiries may be made, so that we may determine the actual facts of the treaty, and that witnesses may be called. I refer to witnesses who have had experience with this matter of anywhere from six months to 12 years. We noted that the minister had written a letter to the editor of the *Engineering and Contract Record* in which he answered or purported to answer a number of charges which were made by General A. G. L. McNaughton who for many years had been chairman of the Canadian section of the international joint commission. In that letter the minister had this to say:

> I am sure that it will be desired to investigate every aspect of the treaty and obtain the views of all persons concerned with it. I should myself appear in such a case—

He is speaking, of course, of a committee of the House of Commons or in parliament. He stated further:

> A debate about his contentions could be particularly regarded as being within the special purview of parliament and the government's responsibility to parliament.

The minister as the chief negotiator for the government of Canada, the minister responsible to Canada for the treaty is leaving the house. We believe this is an urgent matter. Certainly the urgency of the entire settlement of the treaty is not to be taken lightly.

I had the experience of sitting on the other side of the house in 1955 when the government of the day undertook to block what we considered to be a sell-out of the Columbia river basin to United States private interests. The minister supported the government of the day when the government brought in the International River Improvements Act. Since the signing of this agreement I have stated publicly that it is my opinion that the Columbia river treaty is less acceptable than was the Kaiser deal. This I believe to be a fact. I am not going into the details of the treaty. My friend the hon. member for Coast-Capilano has gone into the details. Some of the members of the New Democratic party have gone into many of the details.

Mr. McGee: The hon. member does not know the details.

Mr. Byrne: If the hon. member would speak up a little bit more loudly, I would perhaps be able to hear him.

Mr. McGee: I am suggesting that the hon. member does not know the details.

Mr. Byrne: If the hon. member wishes to find out whether I know something about the details, I suggest that he ask his minister to put this matter before a committee where we shall have plenty of time to discuss it. Then there will be no question about whether or not we have any knowledge. My time is limited and I have other things to discuss.

Mr. McGee: The hon. member does not know what he is talking about.

Mr. Byrne: In our series of questions over the past several weeks the minister finally came up with this statement, as found at page 2178 of *Hansard*:

> All I can say is that at the time the treaty was signed there was no disagreement that was apparent; that every step had been taken to ensure unanimity including the writing of a letter formally

to Mr. Williston enclosing the text of the treaty, advising him that the treaty was to be signed and that it would be signed in Washington,—

Then he goes on to say this:

So it was presumed, and I think it was a justifiable presumption that it was signed with the knowledge and approval of the government of British Columbia.

We certainly hope that was the case. For that matter the actual details of the building of the dam, the sale of the downstream benefits, the actual financing of the various construction projects were not necessary. It was not necessary to have these details worked out before the agreement is ratified. The very agreement itself in article 8 states that this may be done or shall be done soon after the ratification of the agreement by both governments. Hence in our opinion there is no reason why this matter should not at this moment be before a committee of the House of Commons. However, was there full agreement between the minister or the federal government and the provincial government? In a letter written December 14, 1960, to Mr. Fleming, Mr. Bennett, the premier of British Columbia, had this to say:

The financial proposals put forward by the government of Canada for hydroelectric development of the Columbia river are, regrettably, unacceptable to British Columbia. In order that there will be no delay in carrying out the development, however, British Columbia is prepared to guarantee Canada that this government will fulfil the terms of the treaty which is negotiated with the government of the United States.

Of a further letter from the Minister of Public Works on January 9, written to the premier of British Columbia, in speaking to the House of Commons on the treaty he had this to say, as found at page 4657 of *Hansard* of May 11, 1961:

I advised him on January 9 that the government of Canada in considering the treaty would act on the assumption that British Columbia was in accord with its terms. I also advised him that, if approved, we would sign it on January 16—

Hence there was really no measure of agreement with respect to the financing of the treaty any more than there is at this stage. It is my belief and the belief of many others that there was a measure of very great haste in the last few months of the negotiations. It will be remembered that the Canadian team consisted first of the minister himself, who has been described by some of the Conservative papers as a brilliant young man. With that I am prepared to agree in that he is a Rhodes scholar; but he is not a hydroelectric engineer and I am sure he has had very little training in engineering. Then there was Mr. Robertson, deputy minister of northern affairs and national resources. I question whether he has any training in electrical engineering or hydro development. Another member of the team was Mr. Ritchie of the Department of External Affairs, a man with very little knowledge of hydroelectric development. Finally, there was Mr. Bassett, the deputy minister of lands and forests of the province of British Columbia.

On the negotiating team for the United States there was Mr. Bennett, assistant secretary of the department of the interior of the United States. In this capacity he has been working on power system administration for many years. He heads the branch that deals with and sells all federally generated power in the United States including such projects as the Tennessee valley authority, the Bonneville power administration and so forth. General Istchner has been concerned with the Columbia river since early 1950. He is chief of the army engineers and head of the Pacific northwest division of the corps of army engineers, in which region the Columbia river is situated. In addition to being chief of the corps of army engineers he held the position of head of the United States section of the international Columbia engineering board, and he entered into the negotiations with complete and comprehensive knowledge of the subject. At present he is in India for the international bank supervising construction of the multimillion dollar Indus project.

These are the teams that came face to face in a highly technical discussion. Soon after the teams got to work it would appear, as I think the minister will agree, that they had come almost to the point of signing an agreement based on the original international joint commission principles which in effect comprise the present McNaughton plan. They were about to sign what is now considered the McNaughton plan when Premier Bennett of British Columbia or one of his negotiators walked into the negotiations, pulled the rug out from under their feet and said that there would be no flooding of the Kootenays. This was the first doublecross.

After having established that the McNaughton plan could not be accepted by the provincial government and after reaching a point where they were again about to sign an agreement, the correspondence began regarding the financing of the project.

Mr. Clancy: What do you suggest? Get to the point.

Mr. Byrne: I maintain that this was something contrived in haste.

Mr. Clancy: Get to the point.

Mr. Byrne: Perhaps the hon. member would contain himself and look after the St. Mary's project in his constituency. If he wants to

hear more about this matter he should endeavour to have the treaty placed before a committee so that we can hear all sides of the question.

Mr. Mather: I rise on a point of order. In fairness to the speaker I think it should be said that we on this side of the house have difficulty in hearing him because of the noise that is going on. I should like a little more quiet so that we can understand better what he is saying.

Mr. Byrne: This is the first time I have heard any complaints about not being heard in the house. I think there may be reasons for the noise in the house this evening, although I do not know. The noise may be more excessive than usual but I am sure I am speaking in good voice.

The minister will admit that the rug was pulled out from under the feet of the negotiators. There was a doublecross. They had reached the point of signing on the new terms when something else broke loose in Victoria, shall I say, and a new obstacle was put forward. Some of us believe that the obstacle was put forward to prevent a real economic development of the Columbia in order to make the Peace river project more acceptable. This is a side issue, but there are many who believe this is the actual reason for the second doublecross.

Despite all this disagreement the minister said in one of his letters that he felt it was imperative that there should be agreement between British Columbia and Canada. However, the time was drawing near when the then president of the United States was about to retire and apparently it was thought that it would be a very great mark in the history and development of Canadian-American relations if the Prime Minister of Canada were to go to the United States and sign this agreement before President Eisenhower withdrew from public life. In fact, I might go so far as to say that the situation was almost as mixed up as a dog's breakfast. Nevertheless it was decided to rush down to Washington and sign the agreement at all costs.

I was not a member of the house at the time the Prime Minister returned here on January 18, 1961, after signing the agreement but I can almost hear his sepulchral tones as he described the signing of this momentous agreement on the eve of the departure of President Eisenhower from public life. He went on to speak of the invitation to a reception at the White House and said in part, as found on page 1159 of *Hansard*:

> That fact gives it emphasis. During the course of our stay there the Minister of Justice—

Now Minister of Public Works.

> —myself and several representatives from the two countries were entertained at luncheon at the White House, the last function of the kind that will take place during the presidency of Dwight D. Eisenhower.

The last supper. This is the most expensive last supper, Mr. Chairman, that has been indulged in during our generation. As I have said earlier, this is a poor agreement, a poorer arrangement for Canada than was the old Kaiser deal, the deal that was blocked by the International River Improvements Act. I believe it is wrong. I believe this treaty should be renegotiated.

There are any number of reasons for renegotiating it and there is one reason that I have not heard mentioned in the house, although it might have escaped my notice. I believe the senior member for the Kootenays did mention the fact there had been no definitive decision concerning the feasibility of the base for a dam on the High Arrow. Of course, the High Arrow is the crux of this treaty. Under the treaty we accept full responsibility for maintaining the project. The High Arrow dam will hold back some 20 billion tons of water. Mr. Deane, a professional engineer in the west Kootenay, writing in the Nelson daily *News*, had this to say:

> —since foundation conditions at High Arrow have turned out to be worse than hoped for at the time of drafting the treaty, Canada should re-open negotiations with the U.S. to find alternatives which do not force B.C. and Canada into such an uncertain engineering and financial gamble. The Mica dam site, in contrast to High Arrow, is considered ideal for a large storage dam with rock extending right across the river channel, at shallow depth, allowing the dam to be completely founded on rock.

This is one reason why the agreement should be renegotiated. There is no reason in the world why this agreement should not be brought before the House of Commons at this time to determine whether or not it is feasible or whether this parliament is prepared to accept it. The day after the Prime Minister returned to the house, he was questioned by the Leader of the Opposition. This question appears on page 1166 of *Hansard* for January 18, 1961, and I quote:

> May I ask the Prime Minister whether the government proposes to submit this treaty to the committee on external affairs of this house before the agreement has been concluded with the province of British Columbia?
>
> Mr. Diefenbaker: Mr. Speaker, I cannot go any further at the moment than to say to the Leader of the Opposition, as I already stated, that it is the intention to have this question placed before the committee on external affairs. When that will be, I cannot say at this time.

Of course, it would have been unusual if the Prime Minister had admitted at that time there was even a suggestion there should be an agreement with British Columbia before this parliament dealt with the matter. He had

just left a dinner at the White House after signing this agreement. Then, nine or ten months later he finally said we would have to have an agreement with the province of British Columbia before the matter was referred to a commons committee.

This matter could come before the committee now. However, we might have a third parliament before this treaty comes before a committee of this house. This is the second parliament since the treaty was signed, and there will probably be a third. I am afraid that the minister himself, because of his resignation from the cabinet, will not be in a position to sign it. I feel quite confident that no one on that side of the house will ever ratify the agreement.

Mr. McGee: Before the hon. member takes his seat, I wonder if he would tell that funny story about the last supper again? Some of us did not quite appreciate the humour.

Mr. Byrne: Would the hon. member repeat his question?

(Translation):

Mr. Gauthier: Mr. Chairman, I did not intend to take part in the debate. However, after listening to some of the statements made this afternoon, I feel it is my duty to make a few remarks. I wish to assure you, however, that I will not be long.

We are asked to approve interim supply in order, we are told, to pay the civil servants, and we will be asked later to vote supplementary estimates for the Canadian National Railways.

Mr. Chairman, when will this patchwork system come to an end?

I admit that I have barely three months' experience but if anybody other than the federal government were administered in this way, I am convinced, on account of my business experience, that the country would be driven to utter bankruptcy on short notice.

Mr. Chairman, if there is one body in the world which must have a clearly determined and very precise budget, it is the government of Canada.

Whereas we expected to find an accurate bookkeeping with specific items for such a month, such a week or such a day, we are in presence of the greatest administrative jumble ever seen. Enormous expenditures are made in all fields and, then we are told in the house that more money is needed to pay unforeseen expenses.

As an example, I shall give the specific case of the C.N.R. to which the government is constantly giving money. Now, representatives of the two old line parties find it strange that Social Crediters should ask questions in committee, because they want to know what use was made of the $50 million passed unanimously in previous years.

Moreover, our group wants to know what use will be made, or rather has already been made, of the further amount of $20 million that we are being asked to vote today, because we are sure that those $20 million have already been spent.

Besides, those questions will remain unanswered like all those we have asked on financial matters.

As a matter of fact, when it is a matter of providing credit to the C.N.R. or to any department concerned with top administration, a wall of silence that a private member is unable to penetrate, is seen rising between the administrators and the government.

Now, we see again today, like this afternoon, some Liberal puppets play their comedy, and cry shame to the Conservatives who grant over $130 million per year to the C.N.R. in order to help this crown corporation wage an unfair war against all our organized truckers across Canada.

The Liberals say that the government wants to bankrupt private enterprise. The jokers forget that in 1957, for instance, as shown at page 3313 of *Hansard* for April 5, 1957—I believe the Liberals were in office at that time—they voted C.N.R. grants in excess of $318,700,000 to enable it to wage its war against the truckers' association. Those are amounts which supported the fight against the truckers' association.

And now these people pose here as defenders of private enterprise. What a joke, Mr. Chairman.

I am not against giving some assistance since our Social Credit principle is that the government should not exist to give prodigally to all organizations but to give reasonable assistance.

But when such assistance is of such magnitude, when it replaces any efforts those industries should make to help themselves, I consider this kind of assistance harmful even for the companies. Because if you take a man and give him enough money to live without having to lift a finger, you will be rendering this man the greatest disservice. The same goes for the large industries which receive more and more every day from the government to make up for their deficits.

If we have so much money to give away, Mr. Chairman, let us do it as a really democratic government. Let us do it in the

interests of the people who have elected us the same as they did you. Let us give assistance to heads of families, to their children who are awaiting our legislation, instead of laughing and joking.

I expected to find in this house a group of seriously dedicated men. I was most disappointed. What did I find? I did not find administrators, I did not find men who came here to prepare the budget the people have been expecting for over a year. We find here electoral jokers aping puppets and playing politics.

That is why we have in some instances supported this government, because we came here to act in all sincerity. We came here not to launch an election after one or two months. We came here, members of the Liberal party, to administer this country.

What is administration? Administration is to foresee, to prepare legislation so as to put bread on the table of our Canadian families tomorrow.

As for yourselves, you came here to play politics, and to chant: let us go to the country, let us go the country.

We came here to administer the affairs of the country, and this we will do as long as we feel like it, by fastening you to your seats. You will have to stay there and to put up with us.

Mr. Chairman, if the government have so much money, let them fill up the unemployment insurance commission fund—

An hon. Member: With what?

Mr. Gauthier: —in order to enable—

An hon. Member: We will tell you.

Mr. Gauthier: If you do not know, others do and you will just have to learn it.

Mr. Chairman, let them fill up the unemployment insurance commission fund so as to make for a more equitable distribution of unemployment insurance benefits.

I should like to say a few words on the Unemployment Insurance Act. It seems that the act has been drafted, not to protect certain groups of people, but to take away the unemployment insurance contributions which they made while they were working.

I want to deal especially with the problems concerning our woodsmen. Mr. Chairman, I am not joking, although I see some hon. members grinning stupidly on my right.

I am not joking. This is too serious.

I wish to tell the house about one case concerning unemployment insurance, but there are 40 or 50 such instances in my riding.

Many farmers of my district must go in the woods during the winter because they are unable to support their families on their income alone. Everybody understands that, and those who are interested in my area know that farmers have to spend five or six months in the woods every year. I have here a letter from one of my constituents. I shall not read it to you, but it is pathetic. He is the father of eight children, he owns eight milch cows, and every fall, he has to take to the woods.

It is his wife—stop laughing, because you also have wives—who has to look after the animals in the winter, do the chores and milk the cows. This is nothing to be ashamed of—you surely drink milk—but his wife has to do that. The man has to stay away working in lumber camps for six months.

On the first day, Mr. Chairman, his unemployment insurance booklet is taken away from him and, during the six months he is going to spend in the woods, stamps are affixed in it. He comes back in the spring and goes to the unemployment insurance office only to find he is not entitled to benefits because—

An hon. Member: It is in another riding.

Mr. Gauthier: No, it is not in another riding. Look at what is going on in your own and you will see how painful it is. As for me, I know the people, I get around in my riding.

That man, three years in a row, did the same thing each spring. He thought the law was the same for him as for the others. So, when spring came around, he reported to his office and got his unemployment insurance benefits. Now, his whole case is being re-examined. And there are fifty such cases in my riding. All are being reviewed. And, after three years, that farmer is being told to pay back $2,700 before the month of March. The sum of $2,700 is being claimed from him. He was informed in writing by a lawyer, if you please. He was then forced to sell his cattle and all his machinery to pay off and had still $784 to pay. He got another letter from the lawyer whose cost he had to pay, which made a total of $870.

The man became a labourer and it so happens that his salary was seized. He does not even have enough money to support his eight children.

The Deputy Chairman: I am most interested in the remarks of the member for Roberval (Mr. Gauthier) but unfortunately I can scarcely hear him. I would ask the members of the committee to co-operate and invite them to tone down their private discussions in order

to allow the hon. member to proceed with his observations. Surely the members will understand and I thank them for their co-operation.

Mr. Gauthier: I thank you very kindly, Mr. Chairman. Fortunately there are still intelligent people in this house.

I have only quoted this as an example. I have written to the Minister of Labour in this regard, but I know he is not acquainted with all such cases, and I am sure that he will examine the situation with great care, for I am told that there are cases of that kind not only in my constituency but in every constituency, Mr. Chairman.

We are here in order to work in the interest of the people. First, we have to discover the diseases from which the people are suffering because to cure the ill, a precise diagnosis must be made in the first place. That is the reason why I pointed it out to the house.

If it is money which is lacking in the unemployment insurance fund, we only have to provide the necessary amount so that the farmers may get the products which will allow them to live like human beings, instead of taking away from them the assets which they took 30 years to build.

If I mention this situation, it is because the related facts are absolutely true.

It is possible to improve their condition through unemployment insurance. I beg of you not to deal lightly with this matter but to take the humanitarian action the people expect of all the hon. members.

With regard to the second point, I shall be brief. If, after having made up the shortfall in the unemployment insurance fund, we still have money—we should have money, for, since I have been here, millions have been paid out without anybody knowing for what purpose—we shall have at least the satisfaction of knowing to what end it has been employed, because the benefits will be felt throughout the population.

We have only to increase the number of projects in the winter works program, which are a great help in some areas. It is just a palliative, but it is better than nothing. Let us double the amount for winter works, to help all our unemployed survive this off-season of four months without too much hardship.

We hope that the government and all hon. members, when those items are discussed in the house, will feel duty bound to make a thorough study of this and to take serious action for the benefit of all our people.

Mr. Drouin: May I ask the hon. member a question?

Mr. Gauthier: Yes.

[The Deputy Chairman.]

Mr. Drouin: How can the hon. member explain to the people at home that he voted to keep in power a Conservative government which wants them to give back the unemployment insurance benefits they received under a Liberal administration?

The Chairman: Order. Standing orders prohibit all comments on the way an hon. member voted, either in the house or in committee. For that reason, I declare the question out of order.

(Text):

Mr. Stewart: This evening we are being asked to vote ten twelfths of the fiscal requirements for 1962-63. Nevertheless, we have had before this house in committee only one of the estimates for the fiscal year. This is the kind of financial mismanagement which would be intolerable on any farm, in any university or, certainly, in any business concern. Consequently, when the motion is made that the tenth twelfth of the requirement for the present fiscal year be granted, I have serious doubts that I should vote affirmatively.

Having said this, I want to talk this evening about three specific matters that concern eastern agriculture. These are matters which cause doubt to arise in the minds of many people in this country; and I am sure the Minister of Agriculture will want to come into this committee before this motion is voted on and try to still the doubts which persist in my own mind and, I think, in the minds of many others on these points.

First, there is the question of the reduction in the assistance for lime. In the original estimates for the present year, $2,640,000 was provided for this important form of assistance. That sum has now been cut to $1,608,900. As hon. members know, the liming of land makes a very important contribution to its fertility. We have had some difficulty in accustoming some farmers to the use of lime, and anything that interrupts this practice in any degree is to be deplored. The government's decision to reduce assistance in this instance is, I think, to be deplored. This decision is especially surprising when we have on the statute books of this country an act passed in the 1960-61 session, the Agricultural Rehabilitation and Development Act, which in one of its sections provides that the minister may make agreements with the provinces, involving the expenditure of money, for projects for soil improvement and conservation which will improve agricultural efficiency in a province, or in any area thereof specified in the agreement. In other words, in the 1960-61 session there was placed on the statute books of this country an act with a certain aim, and now within the past few months this government proposes to take

action that is directly contrary to the purpose of that recently-made statute. There is a kind of contradiction there, a kind of irresponsibility, which I think ought to be explained to this committee before this present motion passes.

The second matter that raises doubts is the question of the premium subsidy on hogs. We are not talking here about a mere temporary hardship for farmers. This premium was introduced not as an immediate assistance to the agricultural sector of our population, but, as I understand it, as part of a general policy. The policy was that by giving these premiums the quality of hogs would be improved. As you know, sir, this is the kind of policy that has to be pursued consistently if it is going to be effective. Now, suddenly, when we have encouraged our farmers along certain lines of thinking, and have led them to believe that the government of this country approves those lines of thinking, we give them what I think the psychologists would call "negative reinforcement" by reducing this premium. Not only that, sir, but this premium was supposed to permit us to retain, and indeed to develop, markets for our agricultural products in certain parts of the United States and to help us retain our own domestic market for pork products.

It is said that Canadian bacon is among the best in the world. We have been trying to expand our production so that the quality of our bacon will become known to larger and larger numbers of people. Our hope, I believe, was that by selling more bacon abroad and by supplying more of our domestic market, we would improve somewhat our balance of payments position. It would be no vast contribution to this generally difficult problem, but it would be something of a help. But now, sir, without any very great saving in money, this premium subsidy on hogs has been cut back quite sharply, and in a quite unpredictable manner. This has worked great hardship, not only for the farmers, but for the whole agricultural sector of our national economy. I am sure that the Minister of Agriculture will want to tell the committee before this motion passes what is the basic, fundamental, and justifying reason for this change, other than the mere notion that every sector of the nation should contribute to balancing the budget.

Mr. Chairman, there is a third reason in this field of agriculture why I am hesitant about supporting the motion now before the committee. I refer to the hardship caused to many maritime farmers by the strange application made by the Minister of Agriculture of the regulations concerning freight assistance on corn. You may recall, sir, that on April 16, 1962, in response to requests made by various farm organizations during a period of many months, the government, because of the shortage of western feedstuffs, on which freight assistance normally would be paid, made shipments of corn into the maritime provinces eligible for freight assistance on a temporary basis. During September, 1962, it became evident that western feedstuffs from the 1962 crop would not be available in the maritimes until some time about the first or the middle of the month of November. Consequently, the Minister of Agriculture was asked to extend this special and temporary corn subsidy for one month; that is, until the end of October, 1962. This the minister decided not to do, on the ground that sufficient feed grains had been moved into maritime positions to meet the foreseeable needs in those provinces until such time as western feed grains had become available there.

Unfortunately, it appears that the minister did not put himself in possession of certain important facts before making this serious decision.

I am informed that in July, 1962, a shipload of corn was landed at the Halifax elevator, and that this shipment filled much of the space available for domestic storage in that elevator. It was held there until late in September. During this period the owners of this shipment were unwilling to sell any of this corn, evidently because it had been committed to one company, namely Canada Packers. Towards the end of September this corn was moved into Canada Packers storage. The minister alone can tell this committee precisely what the facts of this transaction were.

This very large supply of corn owned by one company evidently entered into the figures the minister used when he decided that there was enough corn available in the maritimes until such time as western feed grains became available. Moreover, it would appear that something like 50,000 or 60,000 bushels of corn owned by a distiller—of course, on this no freight assistance was paid—stored in the same elevator, and 100,000 bushels of export wheat may have entered into the figures used by the minister in deciding that sufficient grain was available.

I understand that the company in question, Canada Packers, would not have been able to take advantage of the special subsidy on corn in this way if the Department of Agriculture had not allowed it a dual status as both wholesaler and retailer. I am informed that at Truro, Nova Scotia, and at Sussex, New Brunswick, this company is classified for the purposes of the Department of Agriculture as a wholesaler, but that at their very much larger plant at Port Williams,

Nova Scotia, they are classified as a retailer. As you may know, sir, under the regulations the freight subsidy can be claimed when feedstuffs are transferred from a wholesaler to a retailer. The fact that this company has a dual standing in the eyes of the Department of Agriculture for these purposes means that it does not forgo freight assistance during any long period in which grain bought by the company is in wholesale storage; nor does the company have to worry about losing the freight subsidy on losses in bulk caused by shrinkage during wholesale storage.

From all the facts that are ascertainable it would appear that this particular manufacturer of feed stock was able to stock up on approximately 200,000 bushels of subsidized corn. Naturally I have nothing whatsoever against this particular company. The important thing is that, by making the acquisition of this subsidized corn attractive to the company, and by terminating the subsidy on the basis of figures which evidently included the holdings of the company, the Department of Agriculture made it necessary for the majority of those farmers who buy feed to pay the higher, unsubsidized transportation costs on the feed corn they had to use during the period between the time when the subsidized corn ceased to be available to them and the time when freight-assisted western feedstuffs became available.

This unfortunate situation was noted in a submission by the eastern agricultural conference to the Minister of Agriculture on November 6, 1962. After recommending that feed freight assistance is a sound national policy which should be embodied in a statute of this parliament, the submission continued as follows:

> This does not mean that there are no improvements needed. Some adjustments are outlined in the attached federation statement. Also the conference feels quite strongly that definite improvements can be made in the administration of the policy. Great care should be taken to see that in the administration of freight assistance, all parties receive equitable treatment and that no special advantage is gained by individual commercial interests. Such a special advantage, and we believe a violation of the intent of the policy, has been gained recently in connection with the assisted movement of corn to the maritimes.

Later a resolution was passed by the Maritime Co-operative Services Limited, at its annual meeting at the middle of November, and, the following resolution passed at that time would appear to be substantially correct. It reads in part as follows:

> Whereas an unusual interpretation of subsidy regulations, which we believe was not the intent of policy permitted one large feed manufacturer to obtain the advantage of the subsidy on corn stored before September 30 by being classed as a retailer at one point while as a wholesaler at another and other companies, including this co-operative doing similar business by being classed as wholesalers could not qualify for the subsidy payment on corn put in storage;
>
> Therefore be it resolved that . . . this annual meeting expresses disappointment—

I am leaving out certain words there which do not advance this argument and which are not germane.

An hon. Member: They should be in there.

Mr. Stewart: The quotation continues:

> —at the cancellation of the subsidy before western feed grains from the new crop were available,—

Then it goes on to resolve further that there has been

> —a definite inequity between companies doing the same class of business and that apparently decisions were based on statistical presentations that were not accurate or did not reveal all the facts.

An administrative fumble apparently so disadvantageous as this one to many of the farmers of the maritimes makes one wonder whether this government should be granted the supply for which it now asks. I am quite sure that the Minister of Agriculture will be anxious to come into this committee and deal with the doubts many hundreds of people have because of these three specific matters I have mentioned.

However, before I conclude I wish to return to the point on which I opened. This government is coming to this committee, and it is asking for the tenth and twelfth of the supply for the fiscal year 1962-63. Yet the members of this House of Commons have not had put before them for examination here the estimates which might justify the money that is being voted. It is astonishing to me if the people of this country or the members of this parliament are prepared to tolerate this situation much longer.

Mr. McGee: The Liberal filibuster caused that.

Mr. Stewart: No reasonable business man, no university administrator and certainly no farmer could hope to conduct a satisfactory business in this way. I submit to you, Mr. Chairman, that the time must very soon come when this committee must refuse supply to this government.

Mr. Barnett: Mr. Chairman, I feel humiliated and embarrassed at being obliged to rise at this hour of the evening under a motion for interim supply in order to use the only opportunity which has arisen in this session since September 27 to discuss what undoubtedly is the most important public question affecting the province from which I come. It is a public question which in its magnitude is, in my opinion, at least as important to this nation as was the St. Lawrence seaway project which was the subject

of some discussion in this House of Commons a number of years ago. I am referring to the matter of the Columbia river draft treaty which has been discussed by two of my colleagues previously during this debate, namely the hon. member for Kootenay West and the hon. member for Vancouver-Burrard.

Since this session began a great many indications have been given to the government that many hon. members of this House of Commons were desirous of an opportunity of discussing this question. All that we have been able to do is to attempt to address certain questions to some of the ministers on the orders of the day and in some cases to place some questions on the order paper. Shortly some of us are going to be returning to our home provinces for the Christmas recess. Those of us who come from the province of British Columbia are going to be obliged to return without having the kind of detailed relevant information with respect to this matter which we had anticipated we should be able to secure when we came down here for this session. Those hon. members who, like myself, have not been in this House of Commons for a time had taken at its face value the indication which had been given that this matter would be referred to the external affairs committee for full discussion under appropriate circumstances, where we would have a full opportunity of getting the detailed sort of information which, on a complex matter such as this, can be secured only by having called before it expert witnesses. This opportunity we have not had.

As far as I am concerned, one of the principal reasons why I feel I must rise and take part in this desultory sort of discussion, which is all that we can have on an interim supply motion, is the fact that it has been impossible for us to secure in a responsible manner the sort of information which we had expected the government would make it possible for us to secure. As I speak tonight I note that none of the ministers primarily responsible for this matter are here to take part in such a discussion. A few minutes ago I looked along the treasury benches and realized that the only minister occupying one of those seats was the Postmaster General. While I have a great regard for her—

Mr. Crouse: On a question of privilege, Mr. Chairman—

Mr. Barnett: —I do not believe she would be the one who would speak for the government on this subject.

Mr. Crouse: On a question of privilege, Mr. Chairman; for the last three quarters of an hour we have had the Minister of Labour in the house as well as the Postmaster General.

Mr. Nowlan: And the Minister of Finance.

Mr. Crouse: We now have the Minister of Finance and the Minister of Veterans Affairs. I think the hon. member should be factual in his remarks.

Mr. Habel: Can the ministers not defend themselves?

Mr. Jones: We have more ministers than the New Democratic party has members.

Mr. Barnett: Mr. Chairman, I am not at all sure that the hon. member had a question of privilege and I think he might have allowed me to finish my sentence before he rose so precipitately. I was about to say that during the last few minutes the Minister of Veterans Affairs and more recently the Minister of Finance had arrived. As far as I am aware, neither of these ministers has been primarily responsible for matters pertaining to the Columbia river treaty. As I say, it is most unfortunate that we have to discuss this kind of subject under these circumstances. That is the only point I had in mind making. I know that all members of the cabinet are busy people and I do not expect that they are going to be here every minute of every day that the house sits. As I was trying to say, in my opinion it is most unfortunate that all we have been able to find out as to what is going on has come from one or two statements made by the Secretary of State for External Affairs that certain informal discussions are taking place. We have been given no real information as to the nature of these discussions. We have been given no information as to the direction in which they are leading.

We have been told that the government of British Columbia is involved in these discussions and that fact gives me real ground for concern in that when we come back to the house on January 21 we may very well once again be faced with one of those faits accomplis into which the premier of British Columbia seems to be able to manoeuvre this government. We are going to come back here and perhaps be faced at that time with a suggestion that this matter go before the external affairs committee, and when it does we are going to find that yet a new twist has been added to the many twists that have been already given to the development of this project, and the treaty that has been signed. That, Mr. Chairman, is the real cause for concern from my point of view.

While I do not minimize the area of provincial responsibility under the constitution

in respect of development of this kind, nevertheless in my view this is primarily a Canadian matter. This is not something with respect to which parliament can accept dictation from someone who happens to be the premier of a province. This has not always been the case as far as this house is concerned, nor do I think it should be. In my opinion the least the government would have done was to arrange for this matter to go before the external affairs committee so that at least the members of the house who are concerned about the matter could have been fully informed when they went back to meet their constituents during the recess. If the government had done that, while perhaps saying at the same time that certain discussions were going on, I see no reason why we could not have reached an understanding that any final decision by the house in respect of ratification of the treaty in its present form would be deferred until completion of those discussions and until the external affairs committee had had the benefit of the full results of those discussions.

I think all members of the house are aware that there has been growing and increasingly impressive evidence of concern on the part of many well qualified people with regard to the implications of this treaty. When my colleague, the hon. member for Vancouver-Burrard, was discussing this matter earlier, the Minister of Public Works tried to suggest that perhaps he was not fully qualified to understand the treaty. I am not at all sure that the Minister of Public Works is fully qualified to understand the treaty and I certainly do not make any undue claims with regard to my own ability to understand the treaty in all its complexities. Nevertheless the Minister of Public Works must recognize that a great many well qualified people in addition to General McNaughton have expressed grave concern about the treaty.

I am sure that the Minister of Public Works or any other member of the government would hardly attempt at this stage to brush aside lightly the considered opinions of General McNaughton, even though they may not be prepared to accept them in their entirety. As far as I am concerned, I can think of no other Canadian to whose views greater weight should be given in the consideration of what is involved in this treaty. I do not think the statement can be challenged that General McNaughton has been more intimately associated with matters concerning the development of the Columbia river basin, and for a longer period of time, than any other living Canadian. Nevertheless, as I say, other qualified people have been expressing very grave doubts.

[Mr. Barnett.]

All of us in this house who are laymen recognize, I believe, that when it comes to highly complex engineering matters we have to rely on expert opinion. We also recognize that from time to time there may be a division of views among experts as well. But when we see the sort of analysis that was made in the *Engineering and Contract Record*, to which reference has already been made, and when we see other references, those of us who are attempting to understand the implications of the treaty really have cause to be concerned. As my colleagues have said, on the basis of the evidence we have at hand so far we in this party are completely convinced that the treaty in its present form should not be ratified by parliament. In my view the question of the ratification of this treaty by the parliament of Canada is something which should have priority over any views that may be advanced by the person who may for the time being happen to be in charge of the government of the province of British Columbia.

Now, among other opinions which have recently been expressed in this connection, Mr. Chairman, I find the opinion of a very well known member of a firm of consulting engineers in Vancouver by the name of Mr. Bartholomew. His name is well known in British Columbia. He is known as the head of a firm which has designed large projects not only in Canada but all over the world. I believe his opinions merit the consideration of hon. members of this house. He had this to say:

(1) It gives United States 25 per cent more downstream firm power than British Columbia receives.

(2) British Columbia's share of downstream power diminishes from year to year at an alarming rate only controlled by the United States.

(3) United States downstream power costs the U.S. one fifth, or less, of what British Columbia's share would cost if British Columbia can use it when available, which is doubtful.

(4) The value to the United States of their downstream power benefits increased greatly and steadily in value.

(5) The control of water flow in the Columbia river in Canada is handed over completely to the United States.

(6) The High Arrow dam robs Canada of 400,000 kilowatts (half of Vancouver's total power consumption), robs British Columbia of forest and agricultural land and destroys an unequalled tourist area and lakes.

(7) The value of Canadian storage at Mica dam is undervalued in the treaty by over 50 per cent.

(8) The treaty is essentially for United States benefit only.

So, Mr. Chairman, I submit that there is on the face of it a clear case that this treaty is not in the best interests of Canada or of British Columbia. As a matter of fact, I thought that the decision the development envisaged by this treaty was not in the best interest of Canada had been made by this

parliament a number of years ago. Some of the members of this house will recall that in 1955 we had before us what was known as the international rivers bill. The international rivers bill was occasioned by a proposal to build what is now called the High Arrow dam. In those days it was known as the Kaiser dam. I was a member of the external affairs committee which considered that bill. Those of us who were on that committee at that time had the advantage of hearing a very full and thorough review of what was involved in the development of the whole of the Columbia river basin. We heard at that time a very detailed representation presented on behalf of the government of British Columbia by the attorney general, Mr. Bonner and the then minister of lands and forests, Mr. Sommers.

As some hon. members in this house will recall, we had what amounted almost to a filibuster on the subject in the house. The filibuster was conducted by a group of members in the house who were then under the Social Credit label. I will not associate the present Social Credit group with that filibuster because actually only two of the present Social Credit group were involved in the debate at that time. We heard a lot about the High Arrow, the Low Arrow, Waneta No. 1 and Waneta No. 2. It went on for quite a number of days. I think all hon. members will recall that after a full and detailed examination of the whole Columbia river basin the members of this house, with the exception of those in the Social Credit group, gave as their considered opinion that that kind of development of the Columbia river was not to the advantage of Canada. This bill was passed with the full support of the members of the Liberal party, the Conservative party and those of us who were in the house at the time in the C.C.F. party.

I must say, Mr. Chairman, I do find it a little difficult to reconcile the position now being taken by some Conservatives who were then in the house, and who now occupy leading positions on the treasury benches, with the position they took after a detailed examination of this proposition. They seem to be taking this position now, I would say rather reluctantly, at the behest of the premier of British Columbia. They seemed to be prepared to stand up on the earlier occasion and say to the premier of British Columbia that this same type of development was not in the best interests of Canada.

Some reference was made earlier in the discussion of this subject to the fact that the Minister of Public Works is a signatory of the treaty. I should like to point out, in concluding my remarks this evening that there is another signature on that treaty on behalf of Canada. This signature stands above that of the Minister of Public Works, and is the signature of the Prime Minister. I want to make it quite clear that I feel the person who should stand up in this house and answer for what has happened in connection with the Columbia river treaty is the Prime Minister of Canada. I think all of the evidence surrounding the situation is such, especially if one thinks, for example, of the references that were made by the hon. member for Kootenay West to the speech made in Prince George by the Minister of Public Works, that it points to the fact that responsibility for the situation rests on the shoulders of the Prime Minister. He is the one who should stand up in this house and tell us why he has decided to sell half of British Columbia down the river into the United States.

Mr. Macdonald (Rosedale): I am rising at this point not to talk about the Columbia river but to talk about the subject of trade. I should like to start off by asking if I may call it ten o'clock.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: I assume tomorrow we will go on with this debate.

Mr. Churchill: Yes, the same order of business, Mr. Speaker, as I announced last night and as appears on page 2603 of *Hansard*.

Mr. Douglas: Mr. Speaker, may I make a suggestion to the minister leading the house? For all of this week we have been seeking, without success, to get some statement from the Minister of Justice regarding certain activities of the R.C.M.P. I want to suggest that if there is to be any co-operation in dealing with this interim supply I hope we might have some such statement tomorrow.

Some hon. Members: Oh, oh.

Mr. Churchill: That sounds like a threat to me.

Mr. Douglas: It is not a threat. I am simply asking the minister to reply.

Mr. Speaker: I would indicate to the hon. member for Burnaby-Coquitlam that under these circumstances it is the custom of this house that the house leader of the opposition will seek information from the house leader of the government as to the business that is to be forthcoming, and beyond that there are no comments.

Mr. Douglas: Mr. Speaker, on a point of—

Mr. Speaker: With the greatest deference, this has been a practice of this house for

many years and I do not see at the moment how we can extend the privilege to the hon. member for Burnaby-Coquitlam without extending it to any other hon. member.

Mr. Douglas: Mr. Speaker, on a point of order, surely if we are discussing the business of the house for tomorrow and any party wants to offer their co-operation or suggestion as to how the business should be expedited, they are free to do so. If they are not allowed to do that, then the government must accept some responsibility, and Your Honour too, if the business of the house is not expedited as it might otherwise be.

Some hon. Members: Hear, hear.

Mr. Speaker: Order. Notwithstanding the apparent comment of hon. gentlemen who have felt otherwise, I think they will recognize that it has been the practice over many years that the house leader of the opposition—

Mr. Peters: It was the practice to have a Liberal government for all those years too, but we changed it.

Mr. Speaker: —shall seek information from the house leader of the government. Otherwise any hon. member could rise. I am not trying to lay down any hard and fast lines, but to follow the accustomed practices of this house. If there are to be any negotiations, or suggestions offered, then I think there are means for doing so. But as far as I am aware—and I think hon. members generally would agree with me—that has been the accepted practice—

Some hon. Members: No.

Mr. Speaker: —as far as the Chair has been aware, and there has been no departure from it.

It being five minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Friday, December 14, 1962

The house met at 11 a.m.

(Translation):

AIRPORTS

DORVAL—TRANSPORTATION BETWEEN AIR TERMINAL AND MONTREAL

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I ask the Minister of Transport a question? Has the minister received now the brief prepared by the chamber of commerce of the district of Montreal concerning the means of transportation between the Dorval international airport and downtown Montreal and which he had not yet received the other day? Has he had an opportunity to study its recommendations and does his department intend to put them into effect?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I still have not received that brief. I inquired at my office yesterday and it had not come in yet. When it does, I shall reply to the question.

Mr. Chevrier: I am taking the liberty of sending it to the minister right away, since I have it in my possession.

(Text):

MINES AND TECHNICAL SURVEYS

ONTARIO—INQUIRY AS TO DISCOVERY OF DIAMONDS IN MOOSONEE DISTRICT

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the Minister of Mines and Technical Surveys. Is the minister in a position to inform the house whether any diamonds have been found in the district of Moosonee, in the province of Ontario, as the result of recent explorations?

Mr. Speaker: Order. With the greatest respect to the hon. member, I think that question should go on the order paper.

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR STATEMENT ON SECURITY INVESTIGATIONS IN UNIVERSITIES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of Justice. The minister has had several days in which to inquire into the allegations that R.C.M.P. officers are interrogating students and faculty members across the country. Could I ask the minister whether he is prepared to make any statement on this matter now, or would he give the house the assurance that he will make some statement when the interim supply motion is before the committee of supply?

Hon. Donald M. Fleming (Minister of Justice): Whatever may be the wish of the house, Mr. Speaker. There is no hesitation on my part to discuss this matter any time it happens to be in order under the business before the house at the moment. If the hon. member wishes to do it in committee of supply, perhaps there might be a little more freedom there.

Mr. John R. Matheson (Leeds): Mr. Speaker, may I ask the Minister of Justice when the government will be in a position to produce the correspondence from the Canadian association of university teachers respecting security practices as they presently affect association members?

Mr. Speaker: Order. Has the hon. member made a request for the production of this correspondence?

Mr. Matheson: Yes, sir, and some time ago the Minister of Justice was kind enough to indicate that this would be done.

Mr. Fleming (Eglinton): Mr. Speaker, it was only a few days ago that the motion was passed. I think it was passed on November 28. I can assure the house that there will be no delay in the tabling of the correspondence. It is not extensive.

[*Later:*]

Mr. Fleming (Eglinton): Mr. Speaker, may I correct the answer I gave a moment ago to the hon. member for Leeds in respect of his notice of motion to produce certain papers. I said his motion was passed on November 28. I was wrong about the date. It was passed on December 5, as appears in *Votes and Proceedings* of that date at page 362.

TRADE

DENIAL OF U.S. CARGOES TO SHIPS TRADING WITH CUBA

On the orders of the day:

Mr. John H. Addison (York North): Mr. Speaker, I should like to ask a question of the Minister of Transport and in view of

the mass of blue flowers across the floor of the house this morning I should like to direct the question to the Atlantic ocean. Has the Canadian government been notified of the intention of the United States to deny American cargoes to our vessels if they are trading with Cuba?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I will take this question as notice.

AGRICULTURE

PERMANENT ACREAGE PAYMENTS—INTRODUCTION OF LEGISLATION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Prime Minister. I wonder if the Prime Minister could inform the house whether it is the intention of the government to introduce legislation at this session in keeping with the Prime Minister's election pledge to make annual permanent acreage payments?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I wish to thank the hon. gentleman for his conversion to a belief in the things which he previously ridiculed.

Mr. Argue: I voted for them.

Mr. Diefenbaker: I can only say that when a decision is made in these matters it will be announced in due course.

(Translation):

FINANCE

REQUEST FOR BONUS TO LOW INCOME FAMILIES

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to address a question to the Prime Minister. On this occasion of so much happiness but also of so much misery for the oncoming of Christmas, does the government intend to grant a cost of living bonus of $50 a month to every family whose income is less than $1500?

[*Later:*]

Mr. Dumont: Mr. Speaker, I should like to address another question to the Prime Minister. Since I did not get an answer to my earlier question, could the Prime Minister tell the house whether we could not get at least a pair of moccasins for Christmas?

(Text):

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not know what answer I could give to that question. In so far as the earlier question is concerned, that too is a matter of government policy. It is not as simple as the hon. gentleman seems to think. Governments cannot give Christmas presents.

Mr. Byrne: It could dissolve the house.

UNEMPLOYMENT INSURANCE

TRANSLATION OF REPORT OF GILL COMMITTEE

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask the Minister of Labour whether he has yet received the French translation of the Gill report? If he has not received it, can he tell the house what steps he has taken in order to see that it is made available as soon as possible so that we might save some indication as to wnat it contains, and so that we might have some action by this government with regard to the state of the unemployment insurance fund in this country.

Hon. Michael Starr (Minister of Labour): Mr. Speaker, every possible step has been taken to get this report as soon as possible.

Hon. J. W. Pickersgill (Bonavista-Twillingate): I was going to ask the Secretary of State whether the printing bureau has yet delivered the printed copy of the Gill report to his colleagues?

Hon. G. E. Halpenny (Secretary of State): No, Mr. Speaker.

Mr. Pickersgill: Can the minister explain the reason for the additional delay?

Mr. Halpenny: The other day I said this report would be delivered some time before the end of the year so that it can be studied during the recess.

Mr. Pickersgill: Can the minister say when the printing of this document started?

Some hon. Members: Oh, oh.

PUBLIC SERVICE

RECOMMENDATIONS FOR SALARY INCREASES NOT ACTED UPON

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Is the minister yet in a position to answer my question of yesterday as to whether there are any categories of civil servants for whom pay increases were recommended by the civil service commission but who were not included in the list in last Monday's announcement?

Hon. George C. Nowlan Minister of Finance): No, Mr. Speaker, I have not had time to check on the matter. I will do so and advise the house early next week.

INQUIRIES FOR RETURNS

On the orders of the day:

Mr. John R. Turner (St. Lawrence-St. George): Mr. Speaker, may I direct a question to the Minister of Finance. Would the Minister of Finance consider making the production of the tables showing the forward commitments entered into by the Bank of Canada on behalf of the minister during the months of April, May and June one of his New Year's resolutions?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I am very glad to be reminded of New Year's resolutions. I was wondering what I should adopt, and I will take the suggestion made by the hon. member into consideration.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask a supplementary question of the Secretary of State. I wonder whether over the week end he could have tabled, for the convenience of hon. members, an up to date list of the returns that have not been made?

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, the last one I tabled was on November 20. I will get a current one and table it next week.

UNITED NATIONS

CANADIAN RESOLUTION RESPECTING SELF DETERMINATION FOR CAPTIVE PEOPLES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, on December 10 the Leader of the Opposition asked me a question on the subject of Soviet imperialism and consideration of this problem by the United Nations.

As I have stated on several occasions, my objective has been that the Canadian government should through international consultation secure sufficient international support to focus United Nations attention squarely on the unsatisfactory conditions in the Soviet empire. This government deeply deplores Soviet Russia's hypocritical position on colonial questions arising in the United Nations, especially in the light of the Soviet union's own record of subjugation and tyranny over races and nations. Our view is that the provisions of the charter of the declaration on human rights and of the declaration on colonial independence are universal in their application.

I had hoped that the consultations which have been going on throughout the year and also during the current session of the general assembly would serve to mobilize sufficient support for a resolution in regard to the question of Soviet colonialism. At a time when the concern of a great many members of the United Nations is principally engaged in respect of colonial questions affecting Africa, the moment for the successful presentation of a resolution aimed at the situation in the Soviet empire has not yet come.

Nevertheless there is a growing awareness that a Soviet imperialistic system does exist and that the United Nations cannot ignore it. The forthright condemnation of Soviet imperialism which the Canadian representative, the hon. member for Queens (Mr. Macquarrie), made in the general assembly on November 23 was intended to bring home to all members of the United Nations the essential fact of Soviet domination of subject peoples.

I assure the house that it will not be long before this resolution can be introduced. Every effort is being made to secure the widest possible general support and as soon as we are in a position to be reasonably assured of substantial and, indeed, more than a bare majority support, the resolution which we undertook to introduce will be brought before the assembly.

BUSINESS OF THE HOUSE

INQUIRY AS TO AMENDMENT OF RAILWAY ACT THIS SESSION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Transport whether the government informed the national legislative committee of the railway operating brotherhoods within the last day or two that the government planned action this session on amendments to the Railway Act in line with the committee's recommendations.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I informed the committee that at this session we will have a motion on the order paper to refer some matters that have been raised by the committee to the standing committee on railways, canals and telegraph lines.

Mr. Fisher: A supplementary question. Did the legislative committee request the government to support public Bill No. 26 to amend the Railway Act, which is now on the order paper?

Mr. Balcer: They did not mention my hon. friend's bill.

Interim Supply

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans, investments and advances item, L20, $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

Mr. Macdonald (Rosedale): When I rose immediately before the close of proceedings last evening I indicated to the committee that I wished to address a few remarks on this occasion on Canada's foreign trade policy. In bringing this question forward at this time I should like to associate myself with the remarks made by other members of this party with regard to the fact we are being asked now to vote the tenth of twelve instalments of expenditures totalling approximately $6 billion by the federal government for the current fiscal year. I deplore the fact that an important question like Canada's trade has not been brought before the house before this time, so that the members of this house have not had an opportunity to consider in detail the estimates of the Department of Trade and Commerce or to examine more fully with representatives of the government the trade policies which the government is following at this time.

I submit to the committee that the question of Canada's foreign trade relationships is perhaps one of the most critical questions arising in Canadian public affairs today, and one of the questions which should commend itself to the attention of hon. members of this house. Perhaps the best point at which to commence this discussion is to make reference to the actions of the government itself in this field. We have heard from the Minister of Trade and Commerce and his assistant, as well as various other spokesmen, and we have seen evidence in the press and elsewhere in recent weeks about the government's principal action in this field, a program known as "Operation world markets".

May I hasten to say that members on this side of the house can only commend the minister and the department for the effort being made in connection with that program. The program is really designed for the purpose of disseminating more widely information on trade prospects and trade possibilities, and indicating to both Canadian manufacturers and foreign purchasers the opportunity for trade with Canada. In fact an even more extensive compliment has been paid to this program, not so much by members on this side of the house but by the Ontario department of economics and development and particularly the minister of that provincial department. He has emulated the federal minister's policy with Ontario's trade crusade.

I should like to address a few remarks to the committee on the question of Ontario's trade crusade, particularly with a view to bringing to the committee's attention the fact that one aspect at least of that crusade represents an invasion by the provincial government into the federal field. It represents a usurpation by the province of Ontario of the responsibility of the minister in the field of trade.

Hon. members cannot have escaped being exposed to the extensive advertising campaign which has been conducted by the Ontario government in radio, television and the press during recent weeks. The principal purpose of that particular advertising is to persuade the Ontario consumer to discriminate in his buying decisions between domestic and foreign products where quality and price are equal, purely on the basis of national production. I submit to the committee that this is discrimination, a boycotting of the products of our trading partners, and that as such it involves Canada in a serious derogation from its international legal obligations with regard to trade.

In support of that argument I should like to refer the committee to the opinion of Sir H. Lauterpacht, a recognized authority on international law in this generation and formerly one of the British judges of the international court of justice, as outlined in an article entitled "Boycott in International Relations", which may be found in volume 14 of the British Year Book of International Law, page 125 and more particularly at page 131. The writer makes particular

reference to commercial treaties entered into between nations, similar to the kind entered into by Canada for foreign trade relations whereby access to the Canadian market is assured for foreign products, and he makes the following observation:

> The commercial treaty obviously implies that the state cannot prohibit generally the importation and sale of goods coming from the territory of the other contracting party. But does it mean that it may not exhort its citizens not to buy the goods of the state with which it has a commercial treaty and that it must not place its governmental departments at the disposal of the boycott propaganda? ... If a state promises to another state to grant to its merchants "complete protection and security for their commerce" then it ill becomes it to exhort its citizens to suppress such commerce and to make its governmental services available for propaganda to this end. By no stretch of interpretation could such an attitude be squared with the undertaking to confer upon foreign merchants the same "privileges, liberties and favours" as are enjoyed by the state's own citizens.

On the basis of that authority, Mr. Chairman, I submit that the Ontario trade crusade, or that part of it which is directed to discriminating between foreign and domestic products purely on the basis of nationality, involves the federal government in a breach, on the international scale, of Canada's foreign trade obligations.

I would also like to bring to the attention of the committee at this time a further legal objection to that aspect of the Ontario trade crusade. Under the constitution of Canada, the British North America Act, and more particularly under the provisions of section 91(2) of that statute, it is provided that the regulation of trade and commerce is the exclusive responsibility of the government of Canada. The general words of that section have been more particularly elaborated upon by the courts in various discussions through the years, and it has been conclusively established with respect to import and export trade that the government of Canada, not the provinces, has sole jurisdiction with regard to legislative and executive measures affecting the import and export trade.

In support of that proposition I would like to refer the committee to the margarine reference in the Supreme Court of Canada in re the validity a section of the Dairy Industry Act which may be found in 1949, Supreme Court Reports, page 1, and more particularly in the remarks of Mr. Justice Rand at page 53. Mr. Justice Rand, in upholding the fact that the federal government has exclusive jurisdiction over imports, made reference to the particular import restriction contained in the federal statute there in question:

> Such scope of action is clearly necessary to the nation's jurisdiction over trade with other states. Only parliament can deal with foreign commerce; provincial power cannot in any mode, aspect, or degree govern it: and it would be anomalous that the jurisdiction to which regulation is committed, which alone can act, and which in this segment of trade is in substance sovereign, should be powerless to employ such an ordinary measure of control.

I therefore make the observation that this government, and more particularly the Minister of Trade and Commerce, should take an early opportunity to make representations to his colleague who represents the provincial riding of Riverdale that this aspect of the Ontario trade crusade program which relates to restriction of the free circulation of imports in the province of Ontario is in derogation of federal government responsibility in law, and is also in excess of the provincial government's power in trade and commerce. Indeed, the failure of the federal government and of the Minister of Trade and Commerce to take action in this regard is an astonishing failure. In fact just the other day, on Tuesday, the minister spoke in this house, and I quote his words as recorded at page 2527 of *Hansard*:

> I am always interested to hear any observation of Mr. Macaulay because in representing his government he is doing the same kind of job for the producers of Ontario as this government is doing for the producers of Canada.

My submission is that it is not Mr. Macaulay's right or duty to do the identical kind of job. It is rather the exclusive duty of the Minister of Trade and Commerce to make regulations with regard to the export and import trade. The minister has failed to carry out that duty. It is all the more interesting to note that as a result of the initiative which Mr. Macaulay has shown he now appears to have taken over the trade and commerce of this country altogether. In answer to a question yesterday it was indicated that the Minister of Trade and Commerce had complied with an invitation from Mr. Macaulay summoning him to attend a meeting on trade and commerce next January.

Reference to the Ontario trade crusade assists me in introducing a second aspect, namely the limitations of a trade policy which is based entirely on an advertising campaign. It is all very well to provide the public with trade information and intelligence as to the availability of Canadian products, but at the same time there must be some assurance that the products available are capable of competing in international trade. In this connection I should like to quote what the Canadian consumer has to say for he, perhaps better than any other, can judge the effectiveness of Canadian products in this regard. I intend to refer to a number of letters which appeared in the Toronto *Globe and Mail*

in connection with the Ontario trade crusade. The first appeared on November 26, 1962. I quote:

"Who is the world's greatest importer?" I am asked every morning over the radio. And I am not kept in suspense, but told right away that I am—that is, the Canadian public is the greatest importer—and I am urged to buy fewer imported goods and more Canadian ones.

With this in mind, I inspected the Christmas gifts I had bought the night before. I found that I had purchased:

One necktie—made in Switzerland; one ladies' scarf—made in France; one pair slippers—made in England; one pair gloves—made in Japan.

Frankly, I was dismayed. So I set out to buy some more gifts, this time inspecting the place of origin before buying. Specifically, I was looking for a key chain (found that it was made in Italy) and a plastic cosmetic case (found that it was made in Sweden). The only Canadian gifts I could have purchased were coasters with flying Canada geese on them, or a leather bookmark—Indian handcraft—but even there sometimes you discover a tag saying "Made in Japan".

I ask again: "Who is the world's greatest importer?" The answer is obvious. It is not the public, certainly. If the public wishes to buy, it has no choice but to buy imported goods, as these are the ones offered on the counter.

So, may I suggest, instead of wasting time and money on this radio announcement day by day, let's rather ask those responsible:

"Why don't you sell more Canadian goods?"

That letter invited a second which appeared on December 1 as follows:

For six Christmases now we have played the "Made in Canada" game in our search for gifts to send to Britain. If anything we are even more frustrated than Mrs. A. E. Vayk (Who is the Greatest Importer?)—November 28, by the Ontario government's fanciful commercials.

So far, this is what we have bought: Writing paper and envelopes (made in Sweden)—the alternatives were made in Britain or the United States; phonograph records (made in Canada by a British owned company); wooden bowl (made in Canada)—surpassed in quality by U.S. products which we decided not to buy; books (all printed in the United States); nylon stockings (made in the United States).

It's the old story: the consumer will buy Canadian if well made products are available at the right price. My answer to the Ontario government is nuts (from Brazil).

Mr. Fisher: I wonder if I might raise a point of order. The hon. member has almost succeeded in proving to our satisfaction that trade is under federal not provincial jurisdiction. Now he is carrying on with an attack on the Ontario government's trade plan. It seems to me that the very logic of the argument he used in the first part of his statement makes the remarks he is now addressing to the committee out of order. If not I would like to ask you, Mr. Chairman, whether we can embark on comments along the same lines, because I should certainly like to say many things about the Ontario government's trade plan.

The Chairman: I thank the hon. member for Port Arthur for bringing this point to the attention of the committee. The legal argument presented so ably by the hon. gentleman is one of relativity. It must be related to a particular item in the resolution, which he can probably do now for the benefit of hon. members of the committee. Apart from that I would have intervened had he continued in the provincial field, dwelling too heavily on the policies of that government.

Mr. McGee: My suggestion concerning the point raised by the hon. member for Port Arthur is that clearly the hon. member from Rosedale is denouncing the activities of the Minister of Trade and Commerce and saying why he is opposed to them, and he is opposing the policies of the Ontario minister inasmuch as these relate to them. I think it is interesting for the country to note that the Liberal party is opposed to this policy.

Mr. Macdonald (Rosedale): I thank the parliamentary secretary, and I think I can anticipate the concern of the hon. member for Port Arthur. The crux of my argument was that there is an inadequacy, as indicated by the material I have quoted, in the Canadian products offered in this purchasing field. I was going on to suggest specific measures which this federal government could take to encourage Canadian manufacturers to remedy that inadequacy. I am suggesting that the improvement of Canadian products cannot be brought about by any fiat of the Canadian government. The ultimate decision must be taken in the private field.

In the session of 1960-61 this parliament included the activities of the design centre in a statute known as the National Design Council Act, which endowed that council with certain powers in respect to design in Canada. I suggest to the minister that the activities of the national design council should be expanded, and that in particular the council should set up a procedure whereby it would carry out examinations from time to time of all the products offered on the Canadian market in a particular field.

What I am suggesting is action of the kind carried out in the United States by the consumers' union, the results of which are published in the *Consumers Reports*. There would be an evaluation of the functional quality, design and workmanship of the products being placed on the Canadian market, both domestic and foreign, and the results could be made available to Canadian manufacturers so they might determine whether their products were competitive and the manner in which they could be improved. One benefit of such a study would be an indication, in a manner which has not been possible under previous arrangements and under the

jurisdiction of the tariff board, of what the real interest of the domestic consumer is. If it turns out that there are no competitive domestic products offered, the argument becomes impressive that whatever tariff charges exist should be dropped.

But the principal question arising in the trade field at this time surely concerns the action which Canada should be taking with regard to foreign trade agreements. For the first time in a generation the log jam of structural arrangements in the international economy is being broken. We are now, and will be for the next two or three years, in a period of flux. In that time we will have an opportunity to make for ourselves trade arrangements which could assure the Canadian manufacturing industry and other Canadian producers effective participation in world trade.

I would like to enunciate a number of principles which I think should govern the government in its trade policy, and more particularly a number of realities which the Canadian government and the Canadian public should bear in mind regarding their forthcoming trade negotiations.

The first of these principles is this. We should recognize that not only should the British be sympathetic to our position but we should show some sympathy for theirs. Their current negotiations with the European economic community are nothing less than negotiations for the continuing survival of their community. The British, in exactly the same way as we have, have inherited from the past an economic system and a societal structure which may not be too directly related to the political realities of the present. No doubt all hon. members of the house over the years have approved the political decisions whereby the British government gave up control of its overseas colonies and thereby gave up control of economic matters in those countries. In the same way we must recognize that to sustain the same population and to maintain the standard of living for the British community we must permit them, and indeed assist them, to establish an equally advantageous trading relationship so they can be assured of continued prosperity.

The second major reality is that the arguments of the high protection group, and the argument in particular that Canadian prosperity can be assured by a general raising of tariffs, is no longer valid. This is so not only because of the fact—and I think we must recognize this—that the Canadian consumer will not tolerate a lower standard of living which would be the result of greater protection, but also in an increasingly interdependent world our trading partners will not tolerate this sort of action.

Third, we must bear in mind that tariff negotiations have all the aspects of a primitive bargain; that in going into these negotiations we must be prepared to give in order to get.

We must also bear in mind that Canada is at a not inconsiderable disadvantage in the sense that with our domestic market of only 19 million souls we do not have as advantageous a plum to offer as the European economic community which, including the United Kingdom, has a population of 225 million people. In other words we wish to secure access to that very much larger market for a limited number of products, but we can only offer a very much smaller market for a wider range of products. We must bear in mind the fact that it is not so much a matter of our being able to blast our way into world markets, or negotiate our way in, but that we do not have that much to offer in the way of an advantageous market for, particularly, the producers in the European economic community.

The fourth reality I think we should bear in mind is that the tariff reductions which must come as a result of the multilateral negotiations will have a severe effect on Canadian industry. Indeed, in some industries the effect may be well nigh fatal. This is the necessary cost of expanding to make our products competitive on a world basis, and this is the kind of problem that we face. Hon. members will find in title III of the U.S. trade expansion act of 1962 very elaborate provisions for adjustment assistance to both employers and employees in industries which have been affected by adverse import competition.

The fifth and final reality, Mr. Chairman, is that we must in the interval prior to negotiations, govern our trade policies in such a way that we enter those trade negotiations, which require nimble footwork, not on a limping basis but with full ability to assure our trading partners that we will accord them fair treatment and also live up to our obligations. I suggest that in very recent years, perhaps even more so in the past five years, this government has failed to discharge its international obligations with respect to foreign trade, first by acting in direct contravention of our obligations under the general agreement on tariffs and trade and imposing the tariff surcharges, and second by the boycott campaign which has been carried on by the Ontario provincial government. We must be prepared to act fairly in

the agreements arising out of these trade negotiations, and we must be prepared to win the confidence of the other negotiators by indicating that we are prepared to live up to our existing agreements.

Mr. Chairman, the action which I propose in the face of these realities is, first, that Canada should take every step to assist the United Kingdom negotiators in their Brussels discussions. It has been suggested previously in this house that there has been some hesitation on the part of the common market negotiators to reach final agreement with the United Kingdom, particularly in reference to products in which this country and others of the senior dominions have an interest, because the common market is looking forward to the negotiations which will take place next year and they are unwilling to act now in regard to something they may well be asked for next year, something they may well need as a bargaining advantage then.

I suggest that if this is feasible within the terms of the negotiations, a Canadian team should be dispatched to Brussels endowed with full powers to negotiate any arrangements with the European economic community that may assist Britain in arriving at a favourable bargaining position with the community. Second, bearing in mind the relative weakness of our bargaining position, we should take very action to assist the United States, and especially the United States efforts in the field of agriculture, to deter and reduce the present tendency toward high protection that the common market negotiators are showing. In other words we must not give a delayed and lukewarm response to President Kennedy's initiative; we must back him up and come forward with a detailed list of our own proposals on what we seek to gain in the multilateral tariff negotiations in early 1964.

Finally, we must and should have presented to this house for consideration a type of program similar to the program set out in title III of the U.S. trade expansion act of 1962, which would provide adjustment provisions for Canadian industry in the case of loss of trade, loss of markets and loss of domestic possibilities due to import competition.

I submit, Mr. Chairman, that this is an area in which at an early date there should be some opportunity of hearing the definitive proposals of the government and of considering its own recommendations on Canada's foreign trade policy. This is one of the principal questions upon which we have very little time left to take decisive action, and I suggest that at an early opportunity we should consider not only the estimates of the minister's department but we should have a full scale debate and full consideration of these matters so that we may know exactly where we stand in these negotiations and where we are going.

Mr. Chairman, when I rose last evening I indicated that I intended to speak on trade and not on the subject of the Columbia river. However, moved by the eloquence of my colleagues on this side of the chamber I should like to add a few remarks to what I have already said. In doing so I wish to stress the fact that I believe I am the first person to rise in this party on this subject who is not a resident of or representing a British Columbia riding. The point I should like to make is that the Columbia river treaty in its present form is a matter of national concern, not only by reason of the fact that the revenue of Canada will be charged with an initial sum of not less than $250 million for the purposes of construction of the dams in question, but also because of the very much broader contingent liability to which Canada will be subject in the event of failure or accident on our part in the flood control provisions.

I suggest to the committee that if the treaty in its present form is ratified, this would amount to a national disgrace, I suggest to the committee that the treaty in its present form imposes upon Canada Carthaginian terms which may be found only in international treaties where the victor nation has imposed a treaty upon the vanquished nation. I wish to associate myself with the view of a very authoritative source, which has pointed out the fact that since the Alaskan boundary dispute there is no more gross example of a bad deal for Canada and a sell-out to the United States.

The Chairman: I am sorry to interrupt the hon. member, but his time has expired.

Mr. Berger: Mr. Chairman, the hon. member who spoke last said he was the first member of his party to participate in this debate who did not come from British Columbia. I take it that was because the Liberal party had run out of British Columbia members. We are not faced with the same difficulty in this party; we have plenty of British Columbia members.

We in this party are concerned about a matter which we have raised in the house on two previous occasions this week. During the orders of the day on Tuesday we asked the Minister of Justice whether the R.C.M.P.

was interviewing students and faculty members at Canadian universities about the political activities that students and faculty members were engaging in. We raised this matter on Tuesday with the Minister of Justice. It was raised by three members of this party, and the minister did not give us an answer. He said there had been no complaints. However, we take the view that it is not a question of whether the minister has had any complaints. Members of this party have had complaints, and we should like to know whether in fact the R.C.M.P. is being instructed by the minister to carry out this sort of activity.

We raised the matter again yesterday on the orders of the day. We asked the minister whether in fact the R.C.M.P. was interviewing students and faculty members at Canadian universities for the purpose of getting them to inform on one another with regard to their political activities, and once again we failed to get any response from the minister. We take the view that the minister's silence is significant and bolsters the information which we have received from a number of sources; and we should like to have from the minister an assurance that this sort of thing will not continue but will stop at once.

This, of course, is something which it seems to me cannot be blamed on the R.C.M.P. The R.C.M.P. is simply acting under instructions from governmental authorities, and it is the government's responsibility if in fact the R.C.M.P. is interviewing students and faculty members at universities for the purpose of discovering what political activity is taking place on our campuses and who is taking part in such political activities. This is something which the members of this party wish to see stopped. We would welcome from the minister an assurance that in fact it is going to stop.

We believe it is wrong for the R.C.M.P. to engage in this activity. We believe that universities ought to be places where young men and women and faculty members may speak their minds, about politics and ideas and do so freely, without members of the national police force coming on to their campuses and asking them questions about the political activities of their friends, their teachers or their fellow students. We believe that otherwise no university can be truly free or can really spawn the kind of discussion that produces new ideas or new concepts or the kind of thinking which must be in the van of any civilization that is moving forward. For the R.C.M.P. to engage in interrogating students and faculty members about their political activities and about the political activities of their colleagues is to engage in something which can only breed suspicion and fear at Canadian universities. If this continues the effect, of course, will be to curb freedom of thought discussion, and the development of ideas.

If subversion is taking place or if the government is fearful that subversion is taking place in this country, may I make this suggestion; and when I speak of subversion let me make it perfectly clear what I mean. I mean violations of the Criminal Code, violations of the criminal law. That is all I mean, and I hope this is all that hon. members in all parts of the house mean by subversion, namely violations of the laws of this country, violations of the Criminal Code or other federal or provincial statutes which relate to the problem. With great respect I submit to the minister and to the members of the committee that the only thing which can justify the intervention of the national police force is evidence of overt acts in violation of our laws, and not the kind of tittle-tattle and gossip that we have found has in so many cases prompted these interrogations.

If the ministry is concerned about violations of the Criminal Code we suggest there is a way in which to go about the matter. There is a way in which to carry out effective police work, and there are ways in which to carry out what will only turn out to be quite ineffectual police work. There are ways of enforcing the laws of this country. We in this party suggest that one way which has nothing to do with law enforcement, which has nothing to do with protecting this nation against violations of the Criminal Code and other federal and provincial statutes, is by having police officers interrogating students and lecturers at Canadian universities for any purpose.

We suggest that this sort of thing, emulating the methods of the police state, must come to an end. We suggest that this sort of thing constitutes a misguided attempt to protect freedom and can only result in destroying freedom. Let me read to members of the committee what was said by a distinguished Canadian educator, the former president of the University of British Columbia, Dr. Norman MacKenzie, at the University of New Brunswick delivering the founders' day address on February 16, 1953. Hon. members will recall that it was during that period in the early fifties that Senator McCarthy was riding high in the United States. It took someone with a good deal of courage to deal with McCarthyism which had crept across the border and was seeping into Canada, and

to deal with that subject in the forthright language which Dr. MacKenzie used. He said this:

> That is why I view with such perturbation both the development of fifth columns in our society and the repressive and authoritarian measures that are frequently taken to deal with this. For these are certain to become a threat and injure or destroy many who have no other folly than that they are nonconformists, or liberals—

That expression is used with a small "l" here, I may say, so that there will be no misunderstanding about it.

An hon. Member: It is the same thing.

Mr. Berger: The quotation continues:

> —or in real fact are foolish or stupid people. Fear, suspicions, hatred, persecution, and repression, together with the smear, the big lie, and domestic espionage are among the instruments and weapons of the menace of communism and fascism, and are properly identified by us with those ideologies. Their introduction into our lives, and their use and indeed growing use in whatever measure in our western society is, to me at least, one of the most disturbing aspects of the continuing crisis. For it will not provide many of us with satisfaction if we save ourselves from the external attacks of the nazis, the fascists and the communists, only to discover that we, unwittingly under their pressure, have destroyed our own freedom; have established through ourselves their form of dictatorship and authoritarian control—we having, in fact, demonstrated for our enemies the proof of the proposition which they all along had been interested in making, that the values they esteem and the way of life they follow are superior to our own, that they are inevitable and must succeed.

I commend to the members of the committee what was said by this very distinguished Canadian, Dr. MacKenzie, because he has put his finger on the real problem. We do not want to use the technique of the smear and the big lie, we do not want to use tittle-tattle and gossip to discredit our fellow Canadians. We do not want to see through advertence or inadvertence members of the student bodies and members of the faculties of Canadian universities being subjected to this sort of treatment.

It seems to me that people who believe that the R.C.M.P. should engage in this work are people who do not really understand the real basis of our western civilization and society. Our society, our civilization, rests on human rights and fundamental freedoms, and these exist for the purpose of facilitating the development of our culture, primarily to assist us in the search for truth, to enable us to move forward. If we destroy these human rights and fundamental freedoms, if we curb freedom of thought, freedom of speech, freedom of discussion—the freedom to generate new ideas, we are doing a disservice not only to the people who are concerned about this matter today but to so many who in past generations fought to achieve these things.

There must be an opportunity to discuss ideas put forward from every political quarter, because surely if the ideas and institutions in which we believe, and which the R.C.M.P. are being used to protect when they are interrogating students and faculty members of Canadian universities, are valid, if they are proper institutions for Canadians, if they are the kind of institutions which will serve to preserve the things that we regard as the highest and the best in human culture, then they do not need any protection from the R.C.M.P. against the force of ideas opposed to them. Surely we can permit ideas from every quarter to contend in the market place of ideas. That was the view of a great liberal, John Stuart Mill, who said in his famous essay on freedom, in effect "Let these ideas clash in the market place of ideas". If the ideas which we espouse are the ideas which are most consistent with the truth and which lead us toward the truth, then they will emerge triumphant in the clash of ideas. If our beliefs are not tested they can have no firm basis. They can only be tested by exposing them to ideas opposed to them.

I was astonished to read in the *Globe and Mail* of Wednesday a report of a speech by the head of the Chrysler Corporation of Canada in which he said:

> For some reason which I have never heard satisfactorily explained, a great many of our young people in the western world begin to sneer at the principles of democracy somewhere around the age of 16 and they keep it up for the next five or six years. It's a stage they seem to go through, like adolescent measles. And it's not a very flattering commentary on our educational system.

The article continues:

> Mr. Todgham said to combat the problem businessmen should encourage youth to form junior achievement clubs, miniature companies with shares.
>
> "Everything they learn, observe and absorb in the course of junior achievement activity is calculated to expose the fallacies of communism and to emphasize the virtues of the free enterpise theory," he said.

He also said that on most of Canada's college campuses there are communist or pink cells. I do not know what pink cells are, but probably this gentleman has some knowledge of the subject. He also said there is a danger of some of the students becoming "permanent converts to alien ideologies". I do not know what junior achievement clubs are all about or whether the real answer to this problem is to set up miniature corporations and dish out shares, but I am not entirely convinced that this is really the way to deal with alien ideologies. I think the way to deal with them is to have them out in the open, discuss them

and put them up against the ideas we espouse. In those circumstances I suggest that young Canadians are far more likely to find the truth and to adopt ideas that are consistent with the truth, and to learn the real basis and the real validity of the ideas that western civilization holds dear, than by forming junior achievement clubs and miniature companies with shares. I do not think young people are likely to benefit a great deal from that when it comes to a question of ideology.

I think members of the committee should realize that we will not be protecting the human rights and fundamental freedoms which we regard as the basis of western society and civilization if we do not allow ideas which are opposed to our beliefs to find expression because, as Justice Oliver Wendell Holmes said, there must be freedom for the ideas that we hate. Members of the committee will recall that John Milton in his "Aeropagitica" said that he could not praise a fugitive and cloistered virtue. You cannot praise the virtue of adherence to the principles of western democracy if you have never been exposed to the ideas that are in contention all over the world with the principles of western democracy. How can our young people be equipped to contend with the ideology of communism if they have never been exposed to it, if they have never tested it against the ideas they themselves hold? I suggest that if the R.C.M.P. are interrogating students and faculty members of universities all over the country about their political ideas the result will be that we will simply breed a generation of students who have never been out of the incubator, who have never been out in the world where these things are real.

Many of us have to contend with the forces of communism. Surely, Mr. Chairman, it is nonsensical to expect R.C.M.P. officers to be able to find through interrogation what the political beliefs of faculty members and university students are, and to find out the type of political activity in which they are engaging. How do you tell? Do you tell by listening to lectures in the classroom? Suppose an R.C.M.P. officer asks a student what the political views and ideas of a faculty member are and the student ventures an answer on the basis of classroom lectures. Surely such an answer would be completely uninformed and completely spurious, because the lecturer may put forward any number of ideas to test the mettle of his students.

How do you tell from bull sessions what a student's political views are? Can you tell because he has engaged in the burning of an effigy of Donald Gordon or somebody like that? Sometimes it is difficult even in this house, Mr. Chairman, to tell what the political views and ideologies of members are. We thought that those gentlemen who sit opposite us were liberals, yet not very long ago we saw them espousing the idea of debt free money. What are we to do under these circumstances? How can we tell what they are? How can we tell where they stand?

I suggest, Mr. Chairman, that to expect Royal Canadian Mounted Police officers at second hand to discover anything about the views of university students and faculty members is nothing more or less than extravagant nonsense. If the government is really trying to find out anything about the communist party, or any other party for that matter, this is an absurd way to go about it; because when you drive these ideas out of the market place you simply drive them underground, and they fester and sometimes grow in a cancerous fashion when you do that. The best way is to have these things out in the open, and they will not be out in the open—as they should be on our university campuses—if the Royal Canadian Mounted Police are going to inquire of university students and faculty members about the political activities of these people.

The great danger is that in our zeal to defend freedom we will wind up by destroying it. I suggest that if we are going to build a truly free society we must allow, we must encourage the widest expression of ideas, because this is the only way in which Canadians will be intellectually equipped to defend the ideas that I believe the vast majority of the people of this country regard as of fundamental importance. I suggest, with all respect to the chairman of the Chrysler Corporation, that junior achievement clubs are not the best way of achieving this end.

We would welcome a statement from the Minister of Justice that this sort of thing is going to stop. We know it has been happening in the past. We believe it was a grave error on the part of whoever was responsible, and the ministry must take the responsibility for directing the R.C.M.P. into this activity. We would welcome an assurance from the minister that this sort of thing is going to stop and will not occur again. I know the minister is anxious to get the floor to make a statement on this subject, so I will not burden the committee with any further remarks.

Mr. Fleming (Eglinton): Mr. Chairman, it is a rather different sort of assurance that I wish to give to the committee.

Let me observe, in the first place, that when questions were put in the house earlier this week on this subject, they were put on orders of the day and Mr. Speaker felt called upon

to indicate that those questions were not of a nature that it was proper to ask on orders of the day. There was no reluctance on my part to deal with this subject at any time when the rules of the house properly permitted it.

I must draw attention to the fact that in his remarks the hon. member has been saying things which, in terms of general principle, I am sure are fully subscribed to and supported by all members of this house. But, Mr. Chairman, the hon. member has gone on to make statements about things he says are happening. The word "if" abounded throughout his remarks, and I must say that the assumptions upon which he has based his assertions this morning are, according to my information, quite unwarranted.

First of all, how does this matter arise? The hon. member makes certain statements as though they were of a positive nature. Well, one might have expected that if there were some intrusion upon academic freedom in this country by the Royal Canadian Mounted Police the matter would have come to the attention of the Minister of Justice. Let me say at once that, having been Minister of Justice for just over four months now, I have not received any letter from any person on this subject. There is one exception I shall mention, but apart from that one exception I have received no letters. I have had my office check the files again this morning, and with this one exception which I shall mention I have received no letter on the subject from anyone.

Mr. Berger: Will the minister yield the floor so that I may ask him a question?

Mr. Fleming (Eglinton): Perhaps the hon. member will allow me to continue. The letter to which I refer, Mr. Chairman, was written to me on September 17 by Dr. A. J. Stewart, the executive secretary of the association of university teachers. He had been in discussion last summer with my predecessor in this office. He asked a number of questions. He had a questionnaire that he wished to have answered. This is the one communication which I have received on this subject since I assumed this office.

Now, in so far as representations are concerned, one member of this house in all this time spoke to me about this subject. He had some incident, not of a very definite nature, and there was nothing toward which one could direct any specific inquiry. So I say, Mr. Chairman, I am unaware of what has suddenly agitated this question or given rise to assertions and inquiries in the house by some hon. members. I know what has appeared in several newspapers this week. The articles that I saw in one or two newspapers indicated simply that there had been a comment on this subject in an editorial appearing in an undergraduate newspaper of the University of Toronto, the *Varsity*.

Let me make matters very clear. The hon. member suggested that I had given some instructions to the Royal Canadian Mounted Police to make inquiries on campuses or interrogate members of the faculties or students. I have given no such instructions whatsoever. The suggestion was also made that the Royal Canadian Mounted Police were supervising political activity. Let me make it quite clear that the police are not interested in political activity. Their job is law enforcement, law enforcement throughout Canada. This is the function which the Royal Canadian Mounted Police, the finest police force in all the world, is under duty to carry out.

Mr. Douglas: Is the minister specifically saying that the R.C.M.P. have never made any inquiries about political activities?

Mr. Fleming (Eglinton): If the hon. member will be patient, I am making what I hope will be a complete statement on the subject. He has asked for it and perhaps he will allow me to make it.

There are questions, I am told, that are asked from time to time by prospective employees as to whether applicants—this applies to persons coming from academic life as well as others—are good security risks. Obviously a number of these people are going into situations where security considerations are important. I am told that the R.C.M.P. do have inquiries of this kind, and in those situations they have made inquiries in order to furnish information in relation to persons applying for jobs where security questions arise, and this of course can happen in public employment as well as in private employment. Apart from that, Mr. Chairman, let me make it quite clear—

Mr. Cameron (Nanaimo-Cowichan-The Islands): May I ask the minister a question?

Mr. Fleming (Eglinton): There is one example—

Mr. Cameron (Nanaimo-Cowichan-The Islands): Can the minister say—

Mr. Fleming (Eglinton): Mr. Chairman, may we have an orderly statement at this time?

Mr. Martin (Essex East): Why should you refuse to answer the question?

The Chairman: Order.

Mr. Fleming (Eglinton): I am told, Mr. Chairman, that there are no special security activities in relation to students carried on by the R.C.M.P., and that the police have not

been approaching persons in universities with a view to developing sources of information. Let me add further that my information is that there has not been, in relation to inquiries, anything apart from what I have clearly indicated is the sort of thing the police are asking all the time.

Let me give an example of the sort of thing that happens in various fields of life. When persons apply to the registrar in bankruptcy for licences as trustees in bankruptcy the police invariably are asked to make a report on those persons because this is a matter of giving protection to the public.

Mr. Pickersgill: On political activities?

Mr. Fleming (Eglinton): Not on political activities, Mr. Chairman. It is not on their political activities. This is a matter of law enforcement accordng to the laws of this country. That is the duty of the police, and that is their proper function. So may I say, Mr. Chairman, that any suggestion that there is some kind of police state here in Canada, or some kind of McCarthyism in Canada, is completely without shadow of truth or foundation.

There is no interference with academic freedom in the universities, and as long as I have any responsibility in this respect there will be no interference with academic freedom in our Canadian universities, or with freedom of speech, or with political activities. I might add that I have spent a great part of my life trying to stimulate political activities in places like that.

Mr. Pickersgill: But not controversy.

Mr. Fleming (Eglinton): I do not see any reason why controversy should be shunned, and as long as the law of this land is observed there will be no interference with any political activities. I do not think the suggestion that is made will commend itself to those who have knowledge of conditions in this country and of the make-up of the Canadian people.

Mr. Pickersgill: Mr. Chairman, I would like to ask the minister if I correctly understood him to say that the R.C.M.P. were being used to investigate applicants for private employment. The minister said, and maybe he did not mean to, that they were being used to investigate applicants for private employment, and I want to get that cleared up.

Mr. Fleming (Eglinton): The hon. member has clearly misunderstood it. I related this to security situations where the public security is involved, because there are situations in private employment where that security is involved.

Mr. Pickersgill: The minister had better define them.

Mr. Fleming (Eglinton): The hon. member will appreciate that that is the kind of situation I am referring to.

Mr. Pickersgill: I think the minister should define them very clearly in his own interest and the interests of the police. He should tell us what these situations are, very precisely, because I think the suggestion the minister has left is that we are living in a kind of police state.

Mr. O'Hurley: You would love that, wouldn't you?

Mr. Pickersgill: The minister should explain why and in what circumstances applicants for private employment should be investigated by the police paid for by the taxpayers, if that is justified at all, and I am not saying that there may not be such circumstances. I think I know personally what the minister has in mind, but it would be in the public interest to have the position made very, very clear.

Mr. Fleming (Eglinton): I am not going to attempt an exhaustive review of those situations. I think the hon. member and all hon. members will realize what are those types of situations. Let me give an example. Suppose you take an industry that is engaged in defence production of something that is of a highly secret nature. There must be security clearance in these situations, just as there must be in other agencies directly related to the public service.

Mr. Matheson: May I ask a question of the Minister of Justice? The minister will note that for some weeks I have had a number of questions on the order paper asking for the relationship of the Minister of Justice with these security operations of the R.C.M.P. Does the minister not feel that it would be highly in the interests of our important security section, the "I" section of the R.C.M.P., that the over-all policy of the government in regard to security be clearly indicated? Because I submit with great respect to the minister—and I am sure everything he said today was said sincerely—that there have been many irritations, even to persons serving on university faculties across the country. People have been very much concerned with the nature of the inquiries taking place in the last several months.

I have discussed this matter with people on the campus of the University of Toronto and other universities, people who in some cases held important appointments. We recognize that security investigations are necessary, but I suggest that the investigating constables and the officers of the R.C.M.P. would be

assisted by being provided with a pro forma series of questions. Frequently in past months the police have commenced their investigations by appearing to ask standard questions, but what has become particularly obnoxious is when they embark on their own line of questioning in the course of an investigation. This has caused offence to many thoughtful people who felt the police were really witch hunting.

The Minister of Justice has a very competent staff, and the R.C.M.P. have highly qualified and dedicated people. We have only to remember their work in the Leopold investigation or the Gouzenko case of some years ago, or the roundup of fascists at the beginning of world war II to recognize that. But I think the time has come for us to have some kind of standard investigation for people employed in, say, a nuclear capacity. There should be a standard line of questioning and the police should not be left to ask tendentious questions on their own. I have no objection to information files, files on anybody and everybody including members of parliament. I have no objection to these investigations where they are deemed necessary, and I believe the R.C.M.P. have built up very wise and wide experience in this regard, but I know of cases which were irritating in the extreme and contrary to the concepts of liberty as expressed by the hon. member for Vancouver-Burrard.

Mr. Fleming (Eglinton): Mr. Chairman, let me say very briefly that I appreciate the views expressed very earnestly by the hon. member for Leeds. I am very happy to make inquiry into anything that is brought to my attention that calls for inquiry, but to me it is an amazing fact that, if there are grounds for complaints in the universities, these complaints have not been brought to my attention. If there are persons who consider that they have been asked questions they ought not to have been asked, then why do they not write to me? As I say, with the exception of that letter back in September from an organization which had been in communication with my predecessor about a questionnaire, I have not had one single communication on the subject.

Mr. Douglas: When the minister says there has been no security investigation on the university campuses does he include in that statement that there have been no investigations of students and faculty members taking part in meetings to state their opposition to the acquiring of nuclear weapons?

Mr. Fleming (Eglinton): I did not use the expression which the hon. member has just attributed to me. I made it quite clear that there are no special activities on the part of the R.C.M.P. in relation to students or academic circles. The function of the police is in relation to the enforcement of law in all parts of Canada and in all sectors of Canadian life. The security investigations will obviously involve the police keeping their eyes open as to anything which might go on which relates to the enforcement of the law or the subversion of our institutions by unlawful methods.

Mr. Hees: I would ask the indulgence of the committee to report progress so that Mr. Speaker can take the chair and I can ask him to revert to motions in order to make a brief announcement with respect to the talks which have been concluded on oil exports to the United States.

Mr. Pickersgill: Cannot that be done equally well at one o'clock without interrupting the proceedings of this committee? It is only half an hour from one o'clock.

The Deputy Chairman: Shall I rise, report progress and request leave to sit again?

Some hon. Members: No.

Mr. Pickersgill: We can do it at one o'clock.

Mr. Orlikow: I must say the statement made by the minister is one of the most amazing, confusing and disturbing statements I have heard in all the years I have been an elected representative, which now number almost 20 years. The minister makes the statement that the R.C.M.P. are not carrying out security investigations on his instructions. The fact is, however, that the R.C.M.P. have been making security investigations over the years going back 25 or 30 years, and nothing has changed since the present minister assumed the office he now holds.

The matter has been raised repeatedly in the House of Commons, and members only need to look at the index of *Hansard* in order to see that every year one or more hon. members of the house have raised specific cases. The minister has said that the R.C.M.P. are only interrogating people about subversive activities, illegal activities. Well, I wonder if it is not time for us to know what the government considers to be subversive activities or illegal activities. I wonder also if we have the right to believe that the R.C.M.P. officers who are doing this work are really qualified to make these investigations.

An hon. Member: Oh, oh.

Mr. Orlikow: Somebody says "Oh". Let him look at *Hansard* of last year when the

former minister of justice made a statement—or an hon. member made a statement and it was not denied—that the minimum qualification for R.C.M.P. officers in this particular section is a grade X education. I question the ability of a person with a grade X education to decide what activities are subversive and what activities are illegal.

The minister may think, though he did not say so, that the movements which have sprung up in the universities and in other places urging the banning of nuclear armaments or nuclear bombs are subversive or illegal. I suggest that no law has been passed in Canada which makes this an illegal act. Yet the fact is—and the minister did not deny it, nor did the former minister deny it, although he questioned a complete report which appeared in *La Presse* last year—that investigations are always being made at Laval and other universities about this type of activity.

The minister says the R.C.M.P. investigates illegal activities. As to communism, I want to make it very clear, as one who comes from the constituency I represent, and who has had 25 years of experience of fighting it—I have certainly no use for the ideas of communism—that communism is not illegal and that the communist party is a legal party in Canada. The minister said he had only had one discussion with a member of parliament on this question. I want to make it clear, for the sake of the record, that I was the member of parliament who discussed the matter with him.

What was the matter I discussed with him? It was the fact that the R.C.M.P. came to make inquiries of a teacher in the city of Winnipeg, who happens to be my brother, about certain things he had done in what he considered to be the best interests of promoting a discussion among a group of students. I went to the trouble of telephoning my brother yesterday to find out what happened. What happened was very simple. I am not concerned with whether the teacher who happens to be my brother made a wise choice in doing what he did. He is a teacher, and every teacher needs the fullest freedom to promote questioning, to promote the free discussion of ideas.

What he did was to arrange for a group of students to hear a talk by the Manitoba secretary of the communist party; and I presume he would not be considered illegal, because he ran against me in the last election. That was permissible. He did not get very far, but he did run. My brother tells me that the R.C.M.P. officer who came to call on him told him that somebody "just happened" to see this group going into the headquarters of the communist party. What an amazing coincidence. They "just happened" to find out that this group from the United States was visiting Winnipeg and that my brother was making the arrangements. One of the things for which he also happened to make arrangements was to hear a talk by the attorney general for the province of Manitoba. I do not know whether that was subversive, but he happened to arrange for that, too.

I am not concerned about whether or not my brother had arranged a good educational project. The fact is that here is one more proof, added to all those cases related in this house and outside, that the R.C.M.P. is carrying on surveillance of this kind. I agree with the hon. member for Vancouver-Burrard that it is neither necessary nor desirable that this kind of surveillance be carried out. However, if it is necessary the people of this country have a right to know what the policy of the government is.

Having said that, I wish to turn to the very brief and, I think, very careful reference the minister made to the supposed one letter received from the Canadian association of university teachers. My information is that in fact this association has been in correspondence with the Department of Justice for well over a year. While it may be true that the present minister has received only one letter, there has been a whole series of letters sent to the department. As a matter of fact the hon. member for Leeds has asked that this correspondence be produced. In addition to these letters there have been numerous telephone calls all connected with the desire of the association to discuss with the department the problems which have arisen.

Why should the association want to have these matters discussed? Surely it is because they must have been hearing from their members about these problems. The minister tries to make this whole matter seem unimportant. I presume the R.C.M.P. are as competent and as diligent in keeping reports of what university teachers are saying as they are in keeping reports of what trade unionists and members of the New Democratic party are saying. The C.A.U.T. board reports as follows:

> At the June meeting of council at McMaster University the following resolution was proposed and referred back to local associations for consideration. It will come before council in November.

I quote:

> Resolved, that the Canadian association of university teachers express its disapproval of questions concerning the political or religious beliefs, activities or associations of students or colleagues.

Members of the association are advised not to answer such questions, even when they are part of the security investigation of persons seeking government employment.

That is a pretty drastic resolution. I am not expressing an opinion at the moment as to whether it is a good or a bad resolution to pass, but I suggest to the Minister of Finance that the Canadian association of university teachers would not put this kind of resolution on the agenda for their next meeting unless they had some pretty strong feelings that their members are concerned.

And why are their members concerned? I wonder whether the minister looked at the file of correspondence which the former minister of justice received from that organization. I wonder whether he looked at the questions which the Canadian association of university teachers submitted to the former minister of justice. If he did, I find it inconceivable that he could have made the kind of speech that he made this morning, in which he tried to wipe this away as being of no consequence.

I have those questions, Mr. Chairman, and I intend to put them into the record. The committee will realize that no responsible organization—and I suggest nobody would question that the Canadian association of university teachers is a responsible organization—would ask these kinds of questions of a minister of the crown unless they were satisfied there were valid reasons for asking them.

I want to quote from these questions, Mr. Chairman, and I do this because this document has gone out to members of the association across Canada and I think it is pretty public knowledge. These questions were addressed to the former minister of justice and have not yet been answered by the government. As a matter of fact neither the former minister nor the present minister in over a year has found the time to meet with a committee of this organization. I think that is a disgraceful situation.

Mr. Fleming (Eglinton): Mr. Chairman, is the hon. member not aware that my colleague met the representatives of this organization in August?

Mr. Orlikow: Mr. Chairman, I think here again we are getting the kind of backhanded answer which I guess is all we can get from the minister. Certainly the former minister met with the people concerned. When did he meet with them? After he was no longer the minister of justice, and he made it very clear to them that he could only speak to them in that capacity, that he could not speak as minister of justice and was not representing the government of Canada. I presume that the present minister has the file in front of him and has not taken the time to read it. He has been all over the world making speeches. He has been speaking to boards of trade. I suggest that the university teachers of the Dominion of Canada are just as entitled to an hour with the present Minister of Justice as are boards of trade or the other organizations to whom he has been speaking, because these are the people who are helping, rightly or wrongly, to mould the minds and the thinking of the people who will be the future leaders of the Dominion of Canada. If they are disturbed, if they are uncertain—I am not saying that the minister has to agree with them; I am not saying that they will not go away from the meeting, if and when they meet, with a difference of opinion—this is a matter that should be looked into. There will be a difference of opinion; in fact I am almost certain, in the light of what the minister has said up to now, that they will disagree and disagree completely. However, Mr. Chairman, I think they were and are entitled to that kind of meeting so there may be the fullest discussion of the problems as they see them.

What are some of the questions which they ask? Let me read them:

1. Do you consider it advisable to protect the members of the Canadian university communities from the impact of communist ideas?

2. If so, do you believe that the R.C.M.P. is the proper body to provide this protection?

3. If not, what in your view are the legitimate reasons for R.C.M.P. investigation of university organizations and university people?

4. Do you agree that the university community is a special kind of community, with a special need of, and a special right to, freedom from pressures on matters of opinion or belief? Do you think that there is a case for "special treatment" of the universities?

5. A statement of yours in the House of Commons last June has been rather widely quoted. You are reported in *Hansard* for June 9, 1961 (page 6120) as wishing that the R.C.M.P. were "mind-readers", and "supermen, so that they might know what people are thinking, and would not have to ask questions at all". Would you wish to qualify this wish as far as university investigations are concerned?

6. What do you feel about a view which has been advanced by one American professors' group (at the University of California) that "the professional duty of faculty members requires them to refuse to disclose to anyone, under any circumstances information regarding the beliefs of students, present or past, obtained in the course of instructing them, whether on a formal class basis, or informally on other occasions".

7. During your term of office as Minister of Justice, has the R.C.M.P. conducted any investigations of members of Canadian university faculties, for purposes other than the investigation of actual or suspected crime? If there have been any such investigations, would you tell us (a) the purpose of them, (b) who requested them, (c) what procedures were followed, and (d) what use was made of the results?

Mr. Chairman, I think these are very pertinent and very legitimate questions and would not have been asked unless there had been proof in the minds of association members across the country that these questions were being asked in the universities.

Having been unable for over a year to obtain a meeting with the minister of justice, present or former, where these matters could be discussed and possibly—I say only possibly—some amicable conclusion mutually arrived at, the C.A.U.T. is now circulating a form used by the British association of university teachers. I want to read this to the minister because this has resulted from his action in refusing to meet with them. His action in refusing to discuss this matter with them is going to bring a result that I am sure those people who believe in security arrangements, which I do not, are going to dislike intensely. I wish to read from the November issue of the C.A.U.T. bulletin.

> Form used by the (British) association of university teachers: (supplied as a sticker, for attachment to security questionnaire forms):
>
> "The association of university teachers has expressed its disapproval of questions concerning the political or religious beliefs, activities or associations of students. I share this view, and am not prepared to answer such questions.

Then there is a space for a signature and date. That is the kind of thing which the refusal of the minister to even discuss this matter is driving the university professors of this country to do. They have no alternative. Again, Mr. Chairman, I quote from a resolution adopted by the faculty association, University of California, Berkeley, October 28, 1958 and subsequently by the university senate:

> This faculty asserts that the freedom of discussion in the classroom and in academic consultation is fundamental to higher education. The essential freedom of a university can be seriously jeopardized if argument and expression of opinion are inhibited, particularly in those subjects which are held controversial in some quarters and at some moments in history. Therefore, reports by a teacher concerning the beliefs, attitudes, activities and associations of a student regarding religion, politics and public affairs in general, are not permissible when the reports are based on information acquired by the teacher in the course of instruction or in the course of other student-teacher relations that involve the student's academic program".

This is the kind of discussion that is now taking place amongst the university people. The minister says he has had only one complaint. I can tell him that the professors in universities from one end of Canada to the other are now discussing this matter. The resolution which I quoted earlier was proposed to the C.A.U.T. by the following people, so the minister will be under no misapprehension: Professor L. C. Clark of the University of New Brunswick, Professor L. Lorch of the University of Alberta and Professor S. R. Mealing of Carleton University. Does the minister or do the members of this house think for one moment that professors of this type and from such widely separate universities are discussing these matters, raising these questions and proposing this kind of resolution out of thin air? Obviously they have facts to back up what they are saying.

The facts are clear that the R.C.M.P. is asking questions of students about views expressed by their professors and is asking professors about views expressed by their students. I do not believe that we can have a really effective educational system unless and until we have the widest spirit of freedom and unless and until professors and students can feel that they can express any opinion or that, professors can recommend to any student the reading of any book whether it be popular or not.

There can be nothing easier than to say that we believe in democracy for those people who agree with us. That is not democracy. That is a perversion of democracy. If democracy means anything it means the widest freedom for those people who disagree with the accepted standards. Surely the democratic system in which we believe is big enough and strong enough that it can withstand the widest discussion and the sharpest criticism, whether it comes from the totalitarian left or from the totalitarian right. For the minister to say today, as ministers have said in the past, that all the R.C.M.P. is doing is making inquiries is, in my opinion, patently wrong and it ought to be stopped immediately.

I have no confidence in the ability of the R.C.M.P. in this field. I do not think they have the trained people with which to do a job of assessing what are subversive or what are illegal opinions; and I do not think the universities or the schools are the places in which to do this sort of thing. I do not know from personal knowledge of a single professor in a Canadian university who is a communist. But even if it were so, I suggest to the members of this House of Commons and to the public that if one communist professor, two communist professors or five communist professors from one end of Canada to the other were a threat to democracy, then the democratic system in which we believe is indeed on shaky foundations.

I believe in democracy. I believe that democracy can stand up to any competing ideology without the use of the police. When we permit the R.C.M.P. to continue the kind of activities which they have been carrying on for the past 30 years or more—and in

fact it seems to me that they are intensifying these activities—I believe that what we are doing in our desire to avoid the police state or the totalitarian state is in fact succumbing to that police state. It is my opinion that unless we stop it, in our desire to oppose communism we shall adopt the very procedures and the very methods which the communists have made so well known across the world. Speaking for myself, and I think for all other members of this group and indeed for every liberally minded, progressive and free thinking citizen of Canada, may I say that this procedure is not necessary and is not desirable, and that whatever has been done in the past ought to be stopped now.

I wish to conclude my remarks by quoting from a famous decision given by Mr. Justice Black of the United States supreme court. In dealing with precisely this kind of question he states that it is imperative to preserve—

> —the interest of the people as a whole in being able to join organizations, advocate causes and make political "mistakes" without later being subjected to governmental penalties for having dared to think for themselves. It is this right, the right to err politically, which keeps us strong as a nation. For no number of laws against communism can have as much effect as the personal conviction which comes from having heard its arguments and rejected them, or from having once accepted its tenets and later recognized their worthlessness. Instead, the obloquy which results from investigations such as this not only stifles "mistakes" but prevents all but the most courageous from hazarding any views which might at some later time become disfavoured. This result, whose importance cannot be overestimated, is doubly crucial when it affects the universities on which we must largely rely for the experimentation and development of new ideas essential to our country's welfare.

I commend that quotation to the Minister of Justice for study and thought.

The Deputy Chairman: Order. Shall I rise, report progress and ask leave to sit again?

Mr. Pickersgill: There was agreement that it would be done at one o'clock and it is not yet one o'clock.

Some hon. Members: Oh, oh.

The Deputy Chairman: I recognize the hon. member for Verdun.

Mr. Mackasey: Before commencing my speech, Mr. Chairman, may I ask a question of the hon. member who spoke last. I should like first of all to congratulate him on his remarks and to state that I agree fully with his principle. However, I should like to ask him whether or not he feels it is rather dangerous to allow one or five communist professors to have freedom to preach this kind of propaganda to those whose minds, on his own argument, are not yet formed.

[Mr. Orlikow.]

Mr. Orlikow: I would say this, Mr. Chairman. One cannot eliminate dangerous ideas by driving them underground. In my opinion in Canada at the present time it would be worse to drive communist opinions underground than to permit them the freest expression, which can then be answered and exposed for the fallacies which they are.

Mr. Jones: Mr. Chairman, I wonder whether I might now call it one o'clock.

Some hon. Members: No.

An hon. Member: The hon. member for Verdun has the floor.

Mr. Jones: I am quite prepared to begin my speech now if that is what the committee would rather have.

The Deputy Chairman: I was under the impression that the hon. member for Verdun had concluded his remarks.

Some hon. Members: No.

Mr. Ricard: He asked a question and then sat down.

Mr. Mackasey: I prefaced my remarks by requesting permission to ask the hon. member who preceded me a question, which the hon. gentleman was gracious enough to answer. I fully appreciate his courtesy.

Mr. Chairman, it is almost three months ago since I and so many other new members entered this house of parliament for the first time. However, I had a little experience in the realm of civic politics; hence I came here with a preconceived idea of the problems which a government must face and which sometimes impede the rapid progress of legislation.

May I call it one o'clock, Mr. Chairman?

Some hon. Members: No.

An hon. Member: Ask the hon. member for Bonavista-Twillingate.

Mr. Ricard: The hon. member has half a minute to go.

Mr. Boulanger: Very well.

The Deputy Chairman: Shall I rise, report progress and ask leave to sit again at the next sitting of the house or later today?

Some hon. Members: Agreed.

Progress reported.

Mr. Peters: One o'clock, Mr. Speaker.

Mr. Deputy Speaker: The Minister of Trade and Commerce wishes to revert to motions. Will the house give unanimous consent to reverting to motions?

Mr. Peters: One o'clock.

Some hon. Members: Agreed.

TRADE

OIL—REPORT ON OTTAWA MEETINGS CONCERNING CANADIAN EXPORTS TO U.S.

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, conversations were held yesterday and today with a United States delegation concerning trade in oil and petroleum products between Canada and the United States. The United States delegation was led by His Excellency Walton Butterworth, the ambassador of the United States, and included Assistant Secretary Griffith Johnson of the United States department of state and Mr. John Kelly, assistant secretary of the department of the interior. The discussions were useful and informative and provided an opportunity for the United States representatives to explain the President's recent proclamation concerning the mandatory control system for importations of oil into the United States, and the amendments which have been introduced into this system.

The two delegations noted that no change has been made in the overland exemption for oil which permits sales of Canadian oil in United States markets without licensing. The continuing importance to the security of the two countries of the availability of continental supplies was recognized. The two delegations discussed estimated trade in oil and oil products in the first six months of 1963. It was agreed that a further meeting would be held to review the situation and to discuss the future growth of trade in the light of the mutual interests of the two countries.

Mr. Pickersgill: To be continued.

Mr. Deputy Speaker: Order. The house will now revert to the business that was interrupted by the reversion to motions for the purpose of permitting the Minister of Trade and Commerce to make his announcement.

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225 loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Mackasey: Mr. Chairman, almost three months have passed since I, like many new members, first took my seat in this parliament. Like most new members, I approached my new role with a preconceived idea of what parliament was all about. I had based this conception of parliament possibly on the many years I have spent in civic administration. I resolved to approach my duties without a very rigid party outlook on the affairs of parliament and a willingness to admit some merit in the present government. I came here, for instance, with sincere admiration for the performance of the previous minister of justice in so far as his efforts in the area of penal reform were concerned. I came here in appreciation of the winter works program which the Tory government had instituted, because the city of Verdun has taken full advantage of this program. I can realize how many other communities across the country have found it to their advantage.

I came here also, Mr. Chairman, fully aware of the problems that face this great country of ours. Like many Canadians not too well versed in financial problems I realized the pegging of the dollar indicated something drastically wrong with the economy of the country. I realized the necessity for the introduction of the austerity program. I realized, too, that the last few years of the history of this world have been very momentous ones, a period when flying around the world has become commonplace. I thought possibly this Tory government could be partly excused if they had not had an opportunity of adjusting

to the times. I was even willing to realize that by the fortunes of war this government had been given a second chance to rectify its errors by introducing some of the plans that were so badly needed to get Canada's economy rolling again.

Almost three months have passed, Mr. Chairman, and those three months have convinced me that this government cannot or will not face reality; it will not provide the leadership and the legislation that this country needs. The lackadaisical, almost callous manner with which interim supply is treated makes a mockery of the fundamental rights of parliament. This is the tenth request for interim supply and it indicates the reluctance of this government to bring to the attention of the house the specific reasons for which this money is needed. In the three months that we have sat here, only the estimates of the Department of Agriculture have been discussed in any detail. Once again we are being asked to grant this government vast sums of money without being accorded the opportunity of protecting the interests of the people of Canada.

There may be a precedent for such a procedure, Mr. Chairman but I, for one, being used to the businesslike administration of civic affairs, cannot comprehend how a government can come back month after month and ask for money without indicating to parliament how this money is to be spent.

Mr. Nasserden: I wonder if the hon. member would tell us from what document he is reading?

The Chairman: I did not hear the hon. member for Rosthern on his point of order.

Mr. Nasserden: I wonder if the hon. member would tell us what document he is reading from?

Mr. Habel: His own notes. He has not got to write his speech like you do.

Mr. Mackasey: From notes I prepared; and I would say without any question, regarding the precedent established by the hon. member a few weeks ago when he spoke on the farm bill, that at least I think I read them well, which is more than I can say for him.

I can only say that the government must feel the average Canadian is not aware of the implications of interim supply, or does not care. So long as the government continues to ignore the fundamental rights of parliament the role of a useful minority cannot be exercised and, Mr. Chairman, since we are talking about reading I am one who has taken the Speaker's advice and read Beauchesne. It contains one paragraph which is of particular interest to me, a quotation from a speech made by Edmund Burke in 1784 in which he emphasized that the role of a parliamentarian should not be limited to his interest in his own constituency but that he should be interested in all the affairs of his country.

In the light of that I would like to say a few words on the Columbia power treaty. For many years parliamentarians and leaders in civic life have viewed with alarm the constant encroachment of American culture into our periodicals, radio, television and private industry. Our newspapers and parliamentarians have cried out for a cessation of this trend and for a cessation to the constant outflow of Canadian profits into American industry; yet the government refuses to debate what is possibly the largest sellout of our natural resources in the history of our young nation.

I am the first to admit I know very little about the Columbia treaty, but many years ago I learned that the difference between a wise man and a fool is that the wise man knows how little he really knows. So long as there are great Canadians like General McNaughton who express misgivings and opinions that this treaty is not in the best interests of Canada, I feel parliament is duty bound to discuss the matter at the first opportunity, if only to convince the people of Canada that it is a good treaty. Certainly I cannot understand the reluctance of the government to discuss fully the merits of the treaty, if it is indeed good for the country; and in reviewing it we ought to bring to the attention of the house the fact that the day has long passed when we should sell our birthright and the birthright of future generations for immediate gain.

As a newcomer, I think our most productive hour of the day is that devoted to private members business. I believe that hour sifts out the interested parliamentarians from those who, just ten minutes ago, tried to mock my remarks. I wish to transcend political boundaries to pay tribute to hon. members in the corner, in the new party, who have introduced much useful legislation during that hour, and which the Conservatives find to their advantage constantly to talk out.

If I felt free to speak about the Columbia treaty I feel a little freer to speak about the Atlantic provinces. Although I do not live there I am happy to say my parents were born in the city of Halifax, and I am fully convinced that Canada cannot be prosperous as a nation as long as one segment of the country is not prosperous. The day has gone when there can be two standards of prosperity in Canada whether in the economic field or in the field of opportunities, and whether these opportunities lie in the crown corporations or in federal departments.

One of the items in the speech from the throne, which I regarded as a definite indication the government intended doing something about our economy, was the reference to the establishment of the Atlantic provinces board. Later however I was shocked to realize how little the government understands about the problems of Canada. Here was a golden opportunity; but instead of providing this board with adequate powers to implement projects, instead of establishing a board with money at its disposal—

The Chairman: Order. The hon. member for Verdun is getting into a subject matter that has already been disposed of by the house, so anything he says in that connection is out of order.

Mr. Mackasey: Then, Mr. Chairman, I might deal with another board that has not been passed by the house, although the time has long gone by when it should have been. I am referring to the centennial board, to which the leader of the government said he might eventually appoint a chairman. While we may all differ in our interpretations of planning, we all realize planning is necessary in some form or another, and I had hoped that the government's plans for celebrating Canada's centennial would be further advanced than they are. I refer particularly to the centennial board. This legislation was passed in 1960 but as yet the chairman and the commissioners have not been appointed.

If this board is to fulfil its designated role it must get about its business. We must remember that this board with the proper personnel on it, with the proper outlook and with the full co-operation of the house, can play a very useful part in the economic recovery of the country. It is to distribute almost $20 million all across Canada on projects such as parks, concert halls, civic auditoriums, libraries and so forth, projects which will do a lot to stimulate the economy of the country. However, local civic administrations must be made aware at the earliest possible moment of the projects which are suitable. They must be given time to promote them in order to get the approval of the board. They must be given time to draw plans and implement them if the projects are to be completed by 1967. Therefore I would urge the government to give priority to establishing this board in the manner in which the legislation was designed.

Earlier I said I approved of the winter works program as a means to combat unemployment. Representing, as I do, a community that has taken full advantage of such legislation I take this occasion once again to congratulate the government on its original implementation of that legislation, but I feel the time has come for the government to up date it. Under present circumstances it would not require much of a mathematician to realize that the government is diverting money from the unemployment insurance fund to the winter works program, but I feel the time has come when the government must assume some of the cost of capital equipment and some of the cost of materials that go into capital projects which it tries to encourage during the winter months.

Another field in which the government has failed so far this session to introduce legislation is that dealing with the building of houses for our senior citizens. We are woefully behind most countries in this regard, and with the continuing increase in the life span of the average Canadian, plus the constant pressure to reduce retirement age, we are gradually building up a problem that can only get worse until it becomes, if it has not already done so, a major problem which the government must face. Our senior citizens are growing in numbers, and I might add that their patience is astounding.

The day has gone when this or any other government could salve its conscience towards the aged by increasing old age pensions, and then forgetting about them until inflation once again rendered their plight desperate. I would suggest to the government that possibly our capital works program designed for the centennial celebrations in 1967 could take into consideration a richer and more rewarding form of housing for our senior citizens, carried out in close co-operation at the federal, provincial and municipal levels.

The other night during the private members' hour I heard a very enlightening discussion on the question of portable pensions. The reason I have found this hour probably the most satisfying occasion in the house is because this is when members are prone to forget their party differences and get down to the business in hand. The hon. member for Welland had introduced a private member's resolution, and once again I would say that members of the new party contributed greatly to some of the discussions that took place. However, I was very disappointed that the speaker representing the government stated that nothing could be done in this field until the unanimous consent of the provincial governments could be obtained. As a newcomer to the house I would be more prone to follow the Leader of the Opposition who in his remarks stated, referring to portable pensions—and I quote from *Hansard* of October 1 at page 73:

> There is something in the speech from the throne on it and as could be expected, there is reference

to discussing it at a provincial conference. The government says it will talk about it with the provinces before discharging its responsibility as a federal government. But a pension plan, as such, does not require any further constitutional amendment. It can be drafted by this parliament if any government would take the responsibility for doing it.

The Leader of the Opposition did qualify that by saying:

There is doubt, of course, about widows and orphans benefits but that need not hold up the main plan if the government had one.

I am inclined to think the only impediment is that the government does not have one.

As a new member of this house I am appalled at the way in which the rights of this house are shoved aside with apparent disdain when it suits political expediency. I am referring to the fact that at this moment we are asked to provide interim supply without there being any indication of when, if ever, we shall be provided with an opportunity of discussing the full budget—an opportunity of examining the sources of revenue, the proposed objects of expenditure, and so on. Certainly, in business both big and small everyone must periodically give an account of their financial position. Certainly, small business men render accounts periodically to government agencies which have been set up to receive them. Why is the government shirking it responsibility? Our government has a responsibility in this regard. How long is it going to shirk this responsibility and make a mockery of parliament? How much longer can this government expect to borrow and spend money without rendering an account to the Canadian people?

In closing I feel that this great nation will yet reach the heights predicted for it by Sir Wilfrid Laurier, for underlying the fumbling and inefficiency of the present government are the Canadian people who have the power to remedy the situation. This government has made a serious mistake in not taking full advantage of its second chance to rectify its errors, and I am sure the Canadian people will do it for them.

Mr. Nesbitt: Would the hon. member for Verdun, who has just spoken, permit a question? The hon. member in his remarks was criticizing the government for not bringing forward the estimates of more departments for discussion. I ask him this question: is it not his own party which has taken the lead in this house in requesting that legislation should be put on the books before time is spent in discussing the estimates?

Mr. Mackasey: That is a fair question which deserves a fair answer. I would imagine that in the long interval between June and September 26, when the government insisted that this parliament should do nothing for almost three months, a great deal could have been accomplished. Had parliament convened, as we had asked, in the month of August, the affairs of the government would be much further advanced.

(Translation):

Mr. Marcoux: I rise on a question of privilege, Mr. Chairman.

May I submit to the attention of the Chair, in all due respect, that none of our members has spoken since last night.

(Text):

Mr. Jones: Mr. Chairman, in what I am about to say I am not referring to the remarks which have just been spoken by the hon. member for Quebec-Montmorency, because I think the Social Credit party together with the Conservative party have taken very little time in the debate on this supply motion. I think we should try to advance the progress of the work before the house and get the legislation passed.

When I heard the silly and irresponsible speech just made by the hon. member for Verdun, calling for this house to discuss simultaneously legislation, interim supply, estimates and the whole works, complaining with all the words at his command that one thing or the other had not been brought down, it was obvious what an exaggerated speech it was. I think the members of this house must get to the point of using some sort of language which would relate to the language of Her Majesty the Queen, either in English or French. We have got so far from the real meaning of words that one cannot decide, on listening to a speech and trying to interpret it according to the ordinary use of the language, what a person means. We have heard the speech by the hon. member for Verdun. He was the one who was talking about the pegging of the dollar as indicating something drastically wrong with this country. This is one example of the sort of nonsense that has been coming from the Liberal party for months now.

Mr. Chairman, I want to deal first of all with what has been laid before the House of Commons. In the 53 days up to December 11, ten days have been spent in this house on the speech from the throne, 26 days on legislation, two days on supply motions, nine days on ways and means, two days on interim supply and three days on estimates. Every item of legislation that could be brought before the house to give the house an opportunity to consider it has been brought forward consistent with giving it the attention it deserved. Mr. Chairman, 26 items of legislation have been placed

before the house for its consideration, in addition to the various supply motions, the speech from the throne, the ways and means motions and the estimates.

To talk, as the hon. member for Verdun has talked, about there being some sort of lack of action on the part of the government just defies understanding in the English language. It is the sort of talk people from other parts of the world are inclined to use when they say black is white, red is blue, and so on. It seems to me that in this House of Commons we have to get down to using the English language as it is spoken in this country, otherwise the people simply will not pay any attention to any of the politicians here. I have heard over and over again the dreary and trumped up charges that characterize the speeches of the Leader of the Opposition, epitomized by the unreality which has been the hallmark of all Liberal discussions on the question of national affairs during these last eight months, this complete unreality in debate, unrealistic forays introduced into the discussions of our national affairs. This has resulted, I submit, in a breakdown of communication between parliament and the people, which is a very serious matter. Charges are made which are unrelated to actual conditions, opinions are expressed that are of a most exaggerated and wild nature. Inflamed and irresponsible utterances are made by the hon. member from Russell, for example. All this is leading us further and further from communication with the Canadian people. We must get back to this. Mr. Chairman, I will give the committee some examples, if hon. members wish.

Mr. Pickersgill: Yes, let us get back to the people.

Mr. Jones: I will give you an example right now. I just heard the hon. member for Bonavista-Twillingate interjecting in this debate. He has been the leader in one of the most distorted presentations of facts to the Canadian people that this country has ever known. All through the election campaign, and ever since, we have been told by him and other members of the Liberal party that this country was going to wrack and ruin.

Obviously, Mr. Chairman, by any statistical records this has been the best year that Canada has ever had, and 1963 will be an even better one.

Mr. Pickersgill: Mr. Chairman, could I ask the hon. gentleman a question. Does the hon. gentleman say this has been the best year for the Canadian dollar that Canada has ever had?

Mr. Jones: Certainly this has been the best year for the Canadian exporters that they have ever had for the last 12 years.

Mr. Pickersgill: I said, the Canadian dollar.

Mr. Jones: I will deal with that point before I get through my remarks today, perhaps.

Mr. Drury: Mr. Chairman, does the hon. member suggest that this has been the best year for the unemployed that Canada has had?

Mr. Jones: I will be dealing with the question of unemployment and the great strides that have been taken by the Minister of Labour to improve the situation in that regard, strides that were ridiculed by the members of the Liberal party, strides that they said would be ineffective. I will be dealing with that in the course of my remarks. Be patient, my friends.

Mr. Chairman, I would like to tell the committee a little story that I heard the other day about conditions down in the Spanish main in the days of the sailing ships. In those days there were pirates who used to place on the shoals and rocks around Cuba false lights and beacons to lure the ships that were passing by into those shoals and rocks near the shore. Those people used to be called moon cussers because they used to cuss the moon when it was out; it would shine on the lights and show them up, and the ships would not be lured on to the rocks. These people in the Liberal party have caused a new phrase to be invented. They are the boom cussers; they cuss when we have a boom. This has been going on in our country with growing intensiveness for the last eight months. Boom cussers Martin, Pearson and Pickersgill—the greatest collection of boom cussers we have seen in our nation's history.

Mr. Pickersgill: Mr. Chairman, could I ask the hon. gentleman who wrote the script?

Mr. Jones: I will tell the hon. member for Bonavista-Twillingate that if he would like to come over and sit in this seat beside me he will see the extent of my notes—and they are all mine, my friend. The hon. member for Bonavista-Twillingate used to be called the surreptitious milk drinker, because when he worked for Mackenzie King he did not even dare take a drink of milk unless he took it surreptitiously. He even admitted this in the book that he wrote about Mackenzie King. I can imagine the fear and trepidation that was his. I hope he is in a better state of nerves now. Down in the maritimes you do not have to go very far; you just have to mention his name and they say, "Is that the surreptitious milk drinker from Bonavista-Twillingate that you are talking about?"

Mr. Chairman, I would like to give a few other examples of the wild and exaggerated talk that has been going on in this house, unrelated to actual facts. When the leader of the New Democratic party was making a speech the other day he was talking about the great need for a housing program. Somebody mentioned to him that $1 billion of federal money had been put into a housing program. He then decided it was about time he switched his tactics, so he said, "Well, not a general housing program but a housing program for the aged". The hon. member for Verdun mentioned housing for the aged a moment ago. Mr. Chairman, at the present time there is going on the greatest expansion of housing for the aged in this country's history. It is going on all across this great country. In Saskatoon there are several houses going up—

Some hon. Members: Oh, oh.

Mr. Jones: —under C.M.H.C. plans. These are houses for the old folks, and this program is placing them in a position where they can obtain accommodation at reasonable rates and conditions which they have never had before. Then there is another situation. The leader of the New Democratic party was also discussing the question of technical and vocational training a few days ago. Mr. Chairman, have you ever seen greater advances made by any country in this free world of ours than those made by this government to promote and advance technical and vocational training? I can tell the committee that there is not in any country of the free world a program to equal the present program of this government in the field of technical and vocational training, regardless of the size of the country. I will give the committee some figures on this so hon. members may appreciate the tremendous effort that is being made in this regard. The figures as at November 14 indicate that approvals of capital projects in the technical and vocational training program amount to $442,326,268, of which the federal share, a 75 per cent contribution, is no less than $284,680,549—$284 million spent in building technical and vocational training schools in this country.

Mr. Nasserden: And that isn't peanuts.

Mr. Jones: And that isn't peanuts, as my hon. friend from Rosthern says. We only have to look at the use that is made of some of these tremendous projects. Mr. Chairman, I should like to turn to the record in Ontario to see what use Ontario is making of this great scheme. What use did Ontario make of this great scheme? I noticed that one of the hon. members who spoke earlier was jeering at the Ontario government. He asked what use the Ontario government is making of this federal government scheme. May I say that, as of November 14, they are taking no less than $186,654,000 worth of federal money to help construct technical and vocational training schools. This scheme is open to any province. Any province can put forward to the federal government a scheme for approval by the Minister of Labour. The size of the contribution of the federal government to any particular province does not depend on the federal government but rather on the province. If the province asks for these schools, they will get them. The federal government is contributing $186 million worth of technical training schools in Ontario alone. That is just the federal government's share. It represents a tremendous advancement in technical schools.

I should like to give some of the figures with regard to the situation just in the Toronto region alone. In Toronto the total estimated cost of the approved plan for the technical and vocational training capital projects is $30,239,806, of which the federal government's share is $21,161,417. In this technical training school program Toronto alone is getting more from the federal government than is any other individual province in Canada.

I think one of the arguments that has been put forward in the course of this debate and in past times is that this government plans its projects in some bits and pieces manner. What a false charge that is. One thinks of the situation in Toronto. One thinks of how we have been building in Toronto a great marshalling yard so that the manufacturers and labourers in Toronto can get their produce out of that area and into the world markets and into the markets of Canada and the United States. One thinks of that $143 million marshalling yard. They are getting a $40 million or $50 million airport in Malton at the edge of Toronto, and this $21 million technical and vocational training school project. All these things are working together to increase the productivity of that area.

It is a great and co-ordinated project, particularly when you consider the actions which have been taken in bringing down the value of the Canadian dollar in order to give our exporters an advantage in world markets so that exporters not only in Toronto but in all parts of the country, and particularly in the agricultural and primary producing areas, have a good chance to get their exports into the world markets on favourable terms. This is a great and co-ordinated plan, a great and co-ordinated project, and it deserves commendation.

Certainly it may be the fact that not too many Conservative members were elected

from Toronto, but that is not the fault of those three cabinet ministers and the other members who represented Toronto previously, as they certainly worked in the best interests of their area and of Canada in promoting these great schemes.

These technical and vocational training school projects which I just mentioned are ones that deserve the special commendation of all people in this country, no matter from what part of the house they may come. I would ask for special support for this project. If we can induce the people of this country to make the proper use of these schools in order to get the training they need, so as to upgrade Canadian skills and Canadian abilities to the end that Canadians can compete in the matter of skills with the other nations of the world, then we shall be doing a great service to the people of Canada. This is a matter which should be beyond partisan consideration. It is the greatest project for technical training that has ever been devised in the western world in recent times.

It would seem to me that we hardly need to refer to some of the remarks which have been made in this House of Commons during the course of this debate in order to substantiate further the charge I have made that the speeches in the house are getting so far from English usage that they become almost meaningless. I wish to refer to comment which appeared in an editorial in the Ottawa *Journal* of December 13, and in which the writer deals with this problem or one aspect of it. The editorial is entitled, "The Tyranny of Words", and it reads in parts as follows:

> Somebody some years ago wrote a book on "The Tyranny of Words".
>
> We think of it as we read a charge by the Toronto *Star* that Senator Wallace McCutcheon, recently appointed by the government to advise on implementation of the Glassco report, has become an "economic czar".
>
> Now a czar, a term applied to Russian emperors, means a Caesar, somebody whose word is law, or who is above the law, responsible only to himself; all-powerful.
>
> Has Senator McCutcheon become that?

The editorial goes on to answer that question, "Hardly"—as, of course, Senator McCutcheon is obliged to submit to the cabinet any proposals he makes. The editorial finishes up in this manner:

> Actually, our political vocabularies have become shot through with words and phrases that are utterly meaningless, phrases and terms that represent nothing more than an alien hangover from Europe.
>
> An example is an article in the current print of *Maclean's* on the Conservative party, telling how the party has a "right," or "left" and "centre". Which is complete nonsense. One might write of a "left" and "right" and "centre" in the politics of Italy or France or Germany; applied to the politics of Canada, or to a party in Canada, it is meaningless gibberish.

Then the editorial concludes as follows:

> Finding one's way through the jungle of existing Canadian politics is hard enough at best; to further confuse it with a fog of alien terms and phrases sins against clarity—and sometimes against honesty.

That is my plea today, namely that we get back to discussing the affairs of this nation in terms of fact; that we do not characterize boom in this country as doom; that we do not characterize programs for progress as programs of regression; that we do not make such silly statements as the one which was made by the hon. member for Rosedale earlier, namely that the minister of economic affairs in Ontario had taken over the post of the Minister of Trade and Commerce in the federal government. Silly and irresponsible remarks of this sort do not do anything to raise the dignity and level of debate in parliament. That is my plea today. During the course of the rest of the life of this parliament I hope that we can get back to discussing our nation's affairs in a manner of which we can be proud and in a way which will make the Canadian people proud of us.

(Translation):

Mr. Marcoux: I thank the Liberals who cheered when I rose.

Mr. Chairman, when, a little while ago, I pointed out that the Social Credit members had not spoken since this morning, I did not mean that other hon. members had done so too lengthily. I simply wanted to say that we think ourselves justified in taking part in this discussion, and the speech of the hon. member for Winipeg North (Mr. Orlikow), incites me more and more to do so.

The hon. member held forth on the question of communist indoctrination in Canada. There may be different points of view in this matter, but I think that it is precisely because of the recognition of free speech for all Canadian citizens that he was able to make his statement.

Yet, I think that arguments like those he advanced today can only lead us to that very police state which he fears the present system might bring about in the more or less immediate future. I might, incidentally, bring to his notice that Russia does not have a communist but a socialist government. Russia is, indeed, called "The Union of Soviet Socialist Republics".

This morning again, I received, as most hon. members did, a letter from the Canadian

communist party in which the Prime Minister is urged to take an open stand against nuclear weapons. Those people have a perfect right to do so. However I think that they cannot accuse us of suspecting communist infiltration when they themselves say, for instance, that some communist organizations are in favour of nuclear disarmament.

I do not believe anybody could deny those facts, because they are true. That is why, when we speak of communist infiltration, or of subversive ideas, it is most important for us to have an exact definition of the word, so that we may establish what is subversive and what is not.

I would not assert that what the communist party says is subversive, but I think that there is some reason for suspecting the communist party of being subversive. It is simply a question of principle which we think an essential one.

When we ask, for instance, that the national railway company reveal their method of operating their system, we think this is a question of principle. We say that the C.B.C. is a closed corporation, a corporation which does not allow every group to use its facilities in all fairness, and we also mention the national film board, as this board and the C.B.C. are means of information and education. To my mind, it is important to follow a definite policy in order to avoid what the hon. member for Winnipeg North mentioned this morning, that is, communist infiltration, because the better we shall know the communists the more able we shall be to contend with them.

Mr. Chairman, I wanted to refer to this matter in order to explain what the party of which I am the spokesman means when we demand freedom. As a matter of fact, we shall continue our efforts along this line even though we are called fascists or any other name. We know the names our opponents, particularly the socialists, have been calling us. But it does not deter us in any way.

We believe that it is only fair that all Canadian citizens may enjoy the right to investigate all the crown corporations and the activities of organizations such as the C.B.C. and the national film board, in order to insure freedom of expression for any idea.

As for the freedom that is cherished to such an extent in Russia, it is freedom for a single idea. Besides, as it was sometimes said about the people's democracies, liberty is only a matter of selecting one candidate from one party. Mr. Chairman, that is not the kind of freedom we are asking for, and it is in order to prevent our going in any such direction unknowingly or maybe unwillingly, that we are requesting freedom of expression for any ideology. As a matter of fact, we do not want us to get into a situation such as exists in socialistic countries.

Mr. Chairman, I do not intend to delay longer the passage of this legislation. If I took part in this debate, it was because it somewhat extended beyond the customary scope. As a matter of fact, I decided to make a contribution only after the remarks of the hon. member for Winnipeg North. This being said, I now conclude my remarks for today.

(Text):

Mr. Drury: Mr. Chairman, I rise in this debate to renew a plea made by the Leader of the Opposition as recently as October 26 for a special committee of the house on defence policy, and reiterated by him on November 7. The background against which this plea is made is, I suggest, a sombre one. Time and again the opposition has sought from the government statements of defence policy. Such requests appear to have fallen on deaf ears. Time and again questions have been asked with respect to specific aspects of our defence efforts and answers have not been provided. The questions have been parried with, I regret, very great persistence. Attempts to secure a general defence debate in the house have likewise been unsuccessful. In such a situation how can the people of Canada find out what the defence policy of Canada is, in so far as the government is responsible for it?

Mr. Fisher: I wonder whether the hon. member would answer a question. I should like to ask him whether the confusion that exists has been a factor in leading his colleague and defence spokesman for his party to the decision he has made sort of unilaterally and on his own.

Mr. Drury: Mr. Chairman, the question endeavours to impute motives and ascribe intentions to members of the Liberal party. I will let the statement of the hon. member for Trinity stand on its own feet.

How can the public ascertain what the defence policy of the Canadian government is? There have been scattered statements by high ranking officers who have retired, but unfortunately on a number of occasions these statements have tended to conflict. It is difficult to get a consensus from them. There has also been a series of attempts by ministers of the crown in a vague general way to deliver an assurance not to worry, that everything is all for the best. This, however, fails quite naturally to assuage the worries and perplexities that the present situation inflicts on the public.

The lack not only of a policy but perhaps even of an intention to enunciate a policy is evident from the last white paper issued by the present Minister of National Defence which is dated May 1, 1961, about 18 months ago. Previous white papers on defence had started off as an introductory theme, with a number of paragraphs under the heading "Defence Policy," in which some attempt was made to enunciate a coherent whole and into which the armed forces programs would fit. The present Minister of National Defence has, however, studiously avoided even using the word "policy" in his white paper and has plunged from the first page into an outline of the activities, rather than the ideas, of the various armed forces and the defence research board. I suggest that if the government either is unable or unwilling, but in any event declines to provide leadership to the people of Canada in this important field, it then remains for those of us elsewhere and those other Canadians who can, to ascertain as best they may what the facts are and to attempt to discuss them in an intelligent way. I would suggest to the hon. member who just asked the question, that is precisely what the hon. member for Trinity was endeavouring to do. In the circumstances, he appears to have been better informed than the Minister of National Defence has been willing to admit himself to have been informed, and to have drawn what one can only conclude were logical and serious conclusions from his information.

In a broader field it is agreed, I think, by all in Canada that in defence matters it is impossible for Canada to go it alone. There is universal agreement on the necessity, in our circumstances, to form part of a system of collective security. I do not think there is any dispute, at least I have never heard it seriously argued, that adherence to a system of collective security is anything but necessary for Canada. One of the advantages to be derived from forming part of such a system is that it does provide for each of the members thereof an opportunity to choose and play a role which is appropriate to the circumstances of that member. It would be hoped that in any such system, each of the members would play its fair and appropriate part. Perhaps the only practical way of measuring what should be an appropriate scale of effort is to examine defence budgets expressed in terms of currency, to examine the size of the defence budget.

Our defence budget has remained substantially constant over the past ten years and, for the year 1961, accounted for 5.7 per cent of our national income. Amongst our NATO allies this occupies roughly the middle range of scales of effort. It does represent a standing of fourth in the list in respect of the size and scale of our defence effort over the years and appears to have represented a fair share. But it must be recognized that any substantial change in our defence budget, either up or down but more particularly any decrease of significance, would be interpreted by our allies as a significant change in our military and political relationships to them. The defence budget, and in particular its size is significant in our relationship with our allies and a sudden change, except in the event of substantial change in the international climate, would give rise to some further serious questions.

I might try to look briefly at what the threat is to Canada in the present circumstances. This would appear to reside largely in the Soviet union and its satellite countries. The military threat posed by the Soviet union to North America is in the form of both nuclear and conventional forces. The conventional forces would be, for attacking this continent, so unecomomical and so expensive to put into operation and sustain, that it is unlikely to enter the mind of a strategist that this would be an appropriate choice to make. There does, however, remain the possibility of the employment of nuclear weapons.

The Soviet union is known to possess a number—not very large—of submarines capable of launching nuclear weapons, a number of intercontinental ballistic missiles with nuclear warheads, and a very large number of high speed, long range, high altitude aircraft. I think military experts are in general agreement that the Soviet union now possesses a sufficient volume of these nuclear weapons that, used in combination, it would be possible in spite of any efforts we may make on this continent, to visit on North America a weight of attack which would cause organized society, as we know it, to cease to exist. For technological and financial reasons combined, I suggest that North America cannot provide a scale of defence which can effectively prevent the Soviet union from landing on this country sufficient nuclear weapons to cause virtual annihilation.

Fortunately for us, perhaps, there is in the hands of the United States an arsenal which is capable of doing precisely the same thing to the Soviet union in spite of any effort now or in contemplation by the Soviet union to prevent this. This, then, is described as the nuclear stalemate. However, we in North America have expressed as an article of faith, the conviction that under no circumstances will the western forces, and in particular those in North America, initiate one of these annihilating attacks. In order, then, for us

to be effective militarily against the Soviet union, it must clearly be possible for us to survive in North America the launching of a massive attack on this country and still be able to reply so as to visit annihilation on the Soviet union.

Mr. Pugh: From Canada?

Mr. Drury: I said North America.

Mr. Valade: I want to know if the hon. member includes Canada.

Mr. Drury: I would hope the hon. member who spoke from his seat would try to be patient for a little while, come out of his parish and look a little farther afield.

Mr. Valade: May I ask the hon. member a question for clarification? When he talked about a "parish" does he consider Canada is similar to a parish?

Mr. Martin (Essex East): He did not say that.

Mr. Drury: Before this outbreak, I suggested we had undertaken and firmly persuaded ourselves that we would never make the first attack. We would, therefore, have to have the capacity, in the event of a massive attack being launched on North America, to reply. This, in current terms, is described as the second strike capability. To do this we must have the means of ensuring that, should there be launched a massive attack on this country, the nuclear riposte of the United States would not be neutralized. If it is apparent to the Soviet union, and clearly apparent, that a massive attack launched on North America will invite a successful massive retaliation on them, it is then reasonable to assume that reasonable men in the Kremlin, not wishing a successful retaliation, will never in the first place launch a massive attack.

Canada does not form part of the retaliatory force. We do, however, have a role in trying to ensure that the retaliatory force, the second strike capability, in fact has a second strike capability; and to examine how we achieve this one has to look briefly at the nuclear forces of the United States. These are composed of Polaris missiles carried in nuclear submarines, intercontinental ballistic missiles stored for operation in hardened or reinforced concrete covered bases, and a very large force of bomber aircraft under the control of strategic air command.

The nuclear submarines bearing nuclear missiles, by their very nature, by their ability to hide under the oceans, are in themselves their own protection and by themselves can remain invulnerable. The intercontinental ballistic missiles must rely for their invulnerability on the thickness and depth of the concrete, and on the possible inaccuracies of an attack. They are safe from all except a direct hit. The bomber aircraft of strategic air command are extremely vulnerable to attack when they are on the ground. If, however, they get up into the air they then become invulnerable, so the problem then is to organize ourselves so that in the event of attack warning can be given to these aircraft in sufficient time to allow them to take off, become airborne and consequently be invulnerable. This then in the role or function in which Canada can be of assistance.

Warning of an attack is now provided by means of very powerful, very large radar systems installed in Alaska, Greenland and the United Kingdom which have the ability to detect and record immediately ballistic missiles from the Soviet union very shortly after the moment of launching. If these can be detected at the time of departure an amount of warning can then be transmitted to continental United States which will enable the aircraft of strategic air command to become airborne before the arrival of these missiles, and if the strategic aircraft become airborne before the arrival of missiles, no useful purpose would be served in endeavouring to attack the airfields from which they have taken off.

In so far as attacks by enemy aircraft are concerned there is a system of warning lines of which everyone is well aware, the distant early warning line, the mid-Canada line and the Pine Tree line. These also provide sufficient warning of an attack to enable, in their present state of alert, strategic aircraft to get off the ground before they can be destroyed.

This then is the function that we can and do perform in safeguarding the second strike capability, in making the retaliatory forces of the United States invulnerable to an attack and consequently able to survive an announced massive attack and be able to retaliate after that. The theory is, and I think it is a sound one, that so long as we have second strike capability it would be disastrous and completely unprofitable for an aggressor to visit an attack on North America.

There is, however, one other possibility, and that is a sneak attack on the strategic air command bases. This could be attempted by placing in North American air space a sufficient number of nuclear carrying vehicles to be able simultaneously, and without any warning, to drop their nuclear bombs on the airfields before SAC aircraft could take off. To do this it would be necessary to introduce unbeknownst to us, an estimated 200 aircraft, or perhaps less than 200.

To prevent this is I suggest one of the principal day to day functions of NORAD, and it is achieved in this fashion. The perimeter of North America is divided into a series of sectors or zones called air defence zones. Any aircraft flying into, through or from these zones is required to file a flight plan. The flight plan is fed into a computer in Colorado Springs, and immediately on taking off in flight each of these aircraft is tracked by radar. The report on this tracking is then fed into the computer and when the report and the flight plan match, the aircraft can be assumed to be identified. When they do not match there is a demand on the local authorities to identify the tracked aircraft.

This is done by radio-telephone, by wireless means, or if all else fails by sending up one of the NORAD aircraft to establish contact and make a visual identification. Because this is done 24 hours a day, 365 days a year, it is quite apparent that it is impossible—and I stress impossible—for a number of hostile, clandestine aircraft secretly to get into North American air space within range of these SAC airfields without North American air defence having knowledge of them. So, if it is apparent to a possible aggressor that they cannot proceed to do their jobs in secret, that they must of necessity be discovered before they can achieve their purposes, then there is no sense whatever in attempting an attack in that manner, and the fact of our being able to identify every aircraft flying through the perimeter of North America makes a sneak attack impossible to achieve on a secret basis and consequently not worthwhile attempting.

If such an attempt were made it would of necessity fail, not by reason of the incoming aircraft being destroyed before delivering their bombs, but because of discovery, the target they were seeking on the ground, the SAC aircraft, would have left by the time they arrived.

There is one further aspect of this warning system and that is the possibility of the positioning in North American waters, on the east and west coasts, of nuclear propelled or even conventional submarines with nuclear missiles therein. For warning against this and the detection of such operations we rely mostly on naval craft, sea-going waterborne craft, with very limited means of detection indeed. There is not nearly, in this area, the assurance there is against the possibility of clandestine operations that we have in respect of clandestine operations in the air. This problem of the detection of possibly hostile undersea craft is a serious one and a problem to which we should probably give the highest priority in terms of military and intellectual effort.

If, then, in respect of the North American defence we have an adequate system of warning and we have the ability to guarantee a retaliatory force with a second strike capability, then there will be little likelihood that short of virtual insanity there will ever be either an attack by surprise or a deliberate attack launched on North America. Essentially the elements in this are a retaliatory force capable of dealing a knockout blow to the Soviet union regardless of any defensive measures which might be taken and the means to render this retaliatory force invulnerable to an attempt to destroy it before it could become operative. This, I suggest, we now have. In this Canada has a role to play and is playing that role.

In Europe the situation is somewhat different. In the fifties the NATO concept was that if one could place along the perimeter of the Soviet a screen sufficient to cause an aggressor to concentrate substantial numbers of forces in order to penetrate it there would be no possibility of a lightning stroke as a result of which the Soviets might overrun western Europe without resistance and, once installed, be difficult to remove. This temptation would be removed by a sufficient depth of screen to compel any break-through to be made on a fairly large scale. With this screen in position it was the declared intention of the United States that serious endeavours to penetrate it would be regarded as deliberate aggression on all the NATO countries and would be replied to immediately by the launching upon the Soviet union of the retaliatory force from the United States.

Latterly, however, it has come to be recognized that this all or nothing philosophy does give rise to serious dangers. There is the ever present danger that the Soviet union might conclude that the United States would be unwilling in the face of a light provocation to launch the one and only reply of a total nuclear attack. This has led to efforts by the United States recently to have established under NATO a force which in itself would be sufficient to accept and deal with serious and heavier forms of aggression. This is the reason for the initiative currently being taken in Paris.

The Deputy Chairman: I am sorry to interrupt the hon. gentleman who has the floor, but it is my duty to inform him that his time has expired.

Mr. Douglas: Perhaps the hon. member could be allowed to finish giving the house this useful information. He could do it in

two speeches, so he might as well do it all at once and preserve the continuity of his ideas.

The Deputy Chairman: Is it the unanimous wish of the committee that the hon. member be allowed to proceed?

Some hon. Members: Agreed.

Mr. Drury: I am grateful to the committee and particularly to the hon. member for Burnaby-Coquitlam.

I was saying that these considerations led the United States to attempt to increase the size, scope and potential of the military forces in Europe. The new concept provides not only the NATO countries in Europe but the free world in general with a wider range of choice as to responses to be made in the event of aggression in Europe, which may start more likely as a consequence of error or by miscalculation than as a consequence of deliberate intention. In this system of collective security which I have endeavoured to outline, Canada, as I have suggested, can have a choice of roles to play. With the strengthening of NATO forces in Europe there is manifestly required a vast array of military weapons systems and of military roles. We, as a member of this collective security organization, have not only the freedom but we also have the duty to contribute a role or function, or series of functions, appropriate to our situation.

If I have anything useful to say today it is to try to give the committee some suggestions as to what might be the considerations which would affect our choice of role.

First, we should seek military functions which call for highly trained military personnel and require a relatively high degree of technical skill. This is appropriate for the long service, volunteer military personnel we have. It is also appropriate to the product of our defence industry in North America and it is appropriate to the standard of living we enjoy and the standard of the products we make. It is more useful to us and to our allies if advantage is taken of the fact that we in Canada can produce highly trained personnel in both a technical and a military sense who are equipped by reason of a voluntary long term engagement to serve continuously over a period of time. Our soldiers, sailors and airmen now enjoy a reputation of being, if not the best equipped, at least the best trained in the world. I think it is highly desirable that we should see this kind of reputation continued. Second, we should seek a military function which corresponds to an essential—and I emphasize the word "essential"—military purpose within the alliance. In so far as can be foreseen this military function should be likely to continue to be essential.

There is the danger, as we see it here today, of adopting a function or a role which is non-essential in the general scheme of things and will possibly fall by the wayside. We must adopt a role or a function which is essential for the moment and which also is not going to fade out in a short time. We, for financial and other reasons, cannot afford the luxury of plunging into expensive military training, expensive military organization and hardware for a very short period of time. We have to try and take a long look at the problem and engage in the kind of function which, as I say, is not only essential for the moment but is likely to continue to be essential for some time to come. This does not mean that the weaponry, the hardware which this role or function will require will not change. It must, of necessity. But we want to try and ensure that the role or function of itself is not likely to disappear.

Third, we should seek military functions which are geared more closely to our industrial economy and which, certainly in large part, lend themselves to research activities within our industrial complex. Then perhaps, more than has been the case in the past, this would serve to provide in respect of our scientific community, a counter attraction to the vast attractions of the United States. The number of highly educated scientists we have lost over the past few years has been, to say the least, distressing. It has been very serious indeed for Canada. A military function which is geared to our industrial economy would also serve in some measure to alleviate the serious balance of payments problem we are now facing and which in my view are likely to continue to face for some time to come. No means should be overlooked which would be useful in tackling this major economic problem which we face.

Fourth, we should seek a military function which does not impede or run counter to the possibility of useful diplomatic initiatives which Canada can, and if it can, should, undertake in the world. We have, or had in the past at least, a reputation and an influence in this area which far outweighed the size of our population and the size of our economic efforts. We should under no circumstances allow ourselves to be put in a position where our military functions and roles are such that we are estopped from putting forward in the diplomatic field a constructive, productive effort on behalf of peace.

Fifth—and I think this will be understood and almost goes without saying for all Canadians—such functions and roles should be

adopted not unilaterally by ourselves but in the light of the fullest discussion and agreement with our partners. We must not become isolationist in this field, even in approach; we should not become unilateral. We are members of a coalition; we are members of a partnership and we should behave like partners. We ask for consultation from our other partners. We must and should be equally prepared to provide consultation to them on what we intend to do.

I would suggest that perhaps consideration of the criteria I have suggested, when applied to our apparent dilemma in North America, might shed some light on this problem.

In respect of NORAD we perform two functions. One of them corresponds to all the tests I have outlined and the other does not. The military task of identification and warning which is NORAD's main task does correspond to the criteria I have just outlined. The function of aircraft interception and destruction—more particularly aircraft destruction—with nuclear weapons, does not correspond, and it is because this particular function into which we appear in the past three years to have rather drifted does not correspond, that we are faced with the spectacle—

Mr. Bigg: That is better than bird watching.

Mr. Drury: Mr. Chairman, I will address myself to the hon. gentleman in a moment. Because of that we are confronted with the spectacle of two senior cabinet ministers apparently locked in an unresolved dispute, talking with different voices. We see, as a consequence of this, a government which avoids at all costs and on all occasions any discussion of defence issues, other than certain of its backbenchers being bright with slogans such as "bird watchers".

Mr. Bigg: That is your slogan, not ours.

Mr. Drury: I suggest, Mr. Chairman, that if this kind of tactic is the government's defence policy we should get rid of the government.

Some hon. Members: Hear, hear.

Mr. Drury: I say that in view of all the evidence that is available—I am prepared to admit that we Canadians outside the government are not in possession of all the facts; indeed, we clearly cannot be, in the light of refusal to give them—Canada is now in the apparent position of dishonouring her international obligations.

I suggest, Mr. Chairman, this is a serious condition for any country to find itself in, particularly a country with our glorious past. Even if in the view of a number of critics some of our undertakings may have been inappropriate—and I am one of those who suggest they have been inappropriate—we must either forthwith and now honour these undertakings; or if we are not prepared to go through with these undertakings, we must immediately, in the fullest consultation with our partners, initiate alternatives which are satisfactory not only to us but to them.

As the hon. member for Trinity expressed the matter elsewhere: For Canada this is the moment of truth. We must do the right thing and we are lucky that, in choosing the right thing, we still have two alternatives. We are currently doing the wrong thing and, I regret to say, we have been doing so for the past many months. Under these circumstances it is the primary responsibility of the government to take a decision and to stand by it. If they have not the courage to do that, then let them be prepared to tell the public of Canada what the facts of the situation are and to let the public take the decision for them.

Mr. Bigg: Will the hon. member permit a question?

Mr. Drury: Most certainly.

Mr. Bigg: Is the hon. member prepared to say where he stands in respect of our relationship to NATO and NORAD, with respect to a firm committal?

Mr. Drury: Mr. Chairman, the house has been very tolerant of me in running over my time and I think perhaps the hon. member will not regard me as being too discourteous if I suggest that, rather than asking me to repeat what I have said, he be patient and wait until *Hansard* comes out. I have been pushed into a little bit more than I would wish of what is jocularly called debate.

I am seriously making a plea for a special committee of the House of Commons on defence policy. I do not think that defence policy in Canada is a subject on which any reasonable man would wish to seek disagreement. I do not think that this is a topic on which any honest Canadian would wish to seek political advantage. By long tradition there is a desirable absence of partisanship in our external non-military policy matters. In recent years military affairs have come to be inextricably mixed up with foreign policy. I suggest that it is time that defence matters were taken out of the realm of partisan politics. It is for this reason that I make an earnest plea to the government to agree to the proposal made by the Leader of the Opposition for the setting up of such a committee.

If such a committee is set up I for one—and I think I can speak quite sincerely for the members of the party to which I belong—will not employ such a committee for partisan purposes. We are seeking the truth. We are prepared to do the things which the truth

requires in this field. If, however, the government will not take action to restore us to the position of honour in the international world to which we aspire and which we deserve, we in the opposition shall obviously be compelled to do what we can to get at the facts.

Mr. Valade: I have a question for the hon. member. As we have extended his period of time I am sure the hon. member for St. Antoine-Westmount will not mind if I ask him a question. In his speech the hon. member said he was in fact suggesting that the NATO forces should be equipped with atomic retaliation weapons. Canada being a member of the NATO countries, I wonder whether he is at the same time suggesting that Canada make an atomic warfare contribution to the NATO forces. Where does he stand as far as Canada's commitment to atomic warfare is concerned? This would require him to say yes or no. Where does he stand? Is he for it or against it?

Mr. Drury: Mr. Chairman, may I say—

Mr. Valade: Answer yes or no.

Mr. Drury: I decline to answer yes or no. I suggest that it is a little bit unreasonable to expect an answer of yes or no. I listened to a series of questions; and without wishing to be disrespectful to the hon. member may I say to him that the question itself to which he asked for a yes or no answer is somewhat akin to the question "Would you rather be red or dead?" That is not the kind of question that I should like to answer yes or no. In so far as nuclear weapons for NATO are concerned, may I say this. If the NATO alliance adopts the view that nuclear weapons for the alliance are necessary, we as a member of that alliance should go along with that view. We as a member of that alliance should have and employ nuclear weapons under NATO control.

(Translation):

Mr. Beaule: Mr. Chairman, I shall be very brief for I only have a few remarks to make before we approve the interim supply for the current month.

Ten weeks have already gone by since the beginning of the session and we have had all sorts of discussions. We have heard talks on the speech from the throne and we have also seen the old line parties indulging in petty politics, which is just like them.

An hon. Member: Which party are you talking about?

Mr. Beaule: The one my hon. friend belongs to.

We have also seen the government propose the establishment of some economic boards, as well as the setting up of an economic development board for the Atlantic area, etc.

Mr. Chairman, I suggest that we should have first carried out the recommendations of the boards which have been already set up by the Conservative government. These boards are established, they conduct an investigation and then their recommendations are put in some bottom drawer to gather dust. Later on, we are asked in this house to set up more advisory boards which, I believe, shall meet the same fate.

We expected the government to put forward legislative measures likely to solve the serious economic problems of today.

We expected the government to come forward with a great program of public works so as to cope with the present unemployment.

We also expected that the government would bring forward an amendment to the Income Tax Act, and that it would have, above all, increased the basic exemption for Canadians, especially for workers who have been claiming, these last years, an increase in the basic exemption from income tax, that is already too heavy for them to carry. We also thought that the government would amend the Family Allowances Act by bringing under its scope the students from 16 to 20 years and by increasing these allowances to keep up with the increase in the cost of living.

We had thought also that the government would increase the old age security pensions to meet the cost of living and grant them to people 65 and over.

But we have found the government very slow in legislating in those fields.

We had also thought that we could resume the debate on the bill respecting the creation of an advisory council on manpower adjustment, but I doubt very much that we can do it before the Christmas recess. There again, we are dealing with a consultative service.

I am of the opinion that the first step the government should take to stem unemployment is to create new jobs.

Mr. Chairman, we are in favour of the establishment of consultative services, but we are of the opinion that, first and foremost, it is up to the government to create new jobs throughout the country in order to alleviate the present unemployment situation.

Mr. Chairman, all this seems to be impossible for some political parties at the present time. Indeed, some are inclined to believe that setting up a municipal development bank the purpose of which would be to

grant interest-free loans to municipalities wishing to carry out extensive public works programs, would be an illogical step.

It was also suggested to have the Bank of Canada finance the work undertaken by municipalities, and there again we are told that that is impossible.

In this connection, Mr. Chairman, allow me to quote from Einstein's book. This scientist is considered as the greatest mathematician in the world and his teachings are accepted by all economists.

I quote excerpts from the book entitled "How I see the world" by Einstein, which was edited by "Les Editions Flammarion". Einstein said:

Production and purchasing power.

The gold standard has, in my opinion, one great shortcoming: when there is a tightening up of this metal supply, it automatically entails a contraction of credit and of legal tender in circulation. Price and salary cannot adjust quite fast enough to such contractions.

The natural means to overcome those drawbacks are in my opinion the following:

I am still quoting Einstein:

The legal and gradual decrease, along trade lines of working hours in order to suppress unemployment, together with the fixing of a minimum salary, to control the purchasing power of the masses, in accordance with the available production of goods:

Control of the money supply and the volume of credit in circulation while maintaining a constant average price of goods, together with the elimination of any legal cover.

And it continues:

The main virus of the system as I see it is the almost unlimited freedom on the labour market, together with the extraordinary means of production. To produce the current requirements one is far from making use of the full available labour force. Therefore, there is unemployment and unhealthy competition among workers and both cause a reduction of the purchasing power and an unacceptable strangulation of all the economic blood stream.

I am obviously aware that the economists partial to freedom claim that any reduction of the labour force is compensated by an increase of the requirements. But, first of all, I must say that I do not believe that, and that even if such an assertion were true, those factors would always point out to the fact that a great number of men would be abnormally restricted in their standard of living.

I also agree with you that we must be very careful to see to it that the youth are compelled to contribute to the production activity. I also believe that older workers should be excluded from certain occupations (that I would call unskilled occupations).

But as a compensation they should receive a pension since they previously contributed for quite a period a productive labour which is acknowledged by society.

I am also of the opinion that we must prevent fluctuations in the exchange rates of our currency and that we should accomplish this by replacing the gold standard by a standard based on determined quantities of goods—

The Deputy Chairman: Order. I regret to point out to the hon. member that he may criticize the present government but that unfortunately this is not the time to extoll a political philosophy. I have not the least doubt that the hon. member might be trying to put forward his political philosophy, but he should always do it in the light of the criticisms that he intends to level against the present administration without expressing in a purely theoretical way his political ideas.

Mr. Beaule: Mr. Chairman, I was just coming to that. I only wanted to state certain facts for the benefit of those who say that the Social Credit philosophy is a utopia. I wanted to refer you to Einstein. Einstein was not a utopian. He wrote this book himself and I suggest that those who are anxious to get information on the subject should buy this book and peruse it.

An hon. Member: You are advertising.

Mr. Beaule: Einstein's reputation does not need advertising.

Now, Mr. Chairman, we have to face serious economic problems. As I said a little while ago the government has been too slow in trying to solve the unemployment problem, this crucial problem which is hanging over us today.

I would have expected the Minister of Labour, with the support of the government, to bring forward a program that could alleviate the hardship of our people.

As the hon. member for Medicine Hat (Mr. Olson) said yesterday, we will therefore almost have to deliver an ultimatum to the government. So, if the government does not come forward next month with concrete measures, with a positive policy, a policy for the distribution of our production in Canada, we shall have to refuse passing the budget estimates and to take our responsibilities. Then, the Canadian people will know that we have no longer confidence in the government which they elected on June 18, and they will be able to make a decision.

Make no mistake about it, if the next budget does not bring forward the measures we are asking, we shall have to refuse voting the estimates.

Mr. Laniel: Mr. Chairman, after three months of session and as we are getting near the Christmas adjournment, I thought I would take a few minutes to set out the policy which the Conservative government has followed since it came into power and to try and assess what it is doing at present.

It is impossible for me to deal with all subjects and examine them fully. But I shall try to express the views of the people in general about the Conservative team and its administrative incompetence.

It is common knowledge, Mr. Chairman, that judgment was passed a long time ago, that is on June 18 last, and that since then, the Conservatives have been enjoying a suspended sentence which will be passed at the next election, the one that will be induced by my colleague.

The Prime Minister (Mr. Diefenbaker) is quite aware of it, and that is why he is putting off going to the country, preferring instead to act in complicity, now with the Social Credit party mostly, now with the New Democratic party.

It is shameful all the same, Mr. Chairman, to act in collusion with a political party which merely wants to lead our country to ruin, without having the courage to enlighten the people adequately on its funny money policy, its system of dividends for everyone, as long as the money printing machine can go on working. The stories about the monkey in the banana tree, the worm in the apple and the rabbit running in the hollow tree trunk raised a good laugh. It was funny to hear about the stomach of the hon. member for Lapointe (Mr. Gregoire) and of the hon. member for Port Arthur (Mr. Fisher), whose head should roll for the sake of better planning as far as the leader of the New Democratic party, the hon. member for Burnaby-Coquitlam (Mr. Douglas) is concerned.

Believe me, I would not object to that head rolling, especially because of the inconsiderate statements made occasionally by the hon. member for Port Arthur about French Canadians.

Do you think those people are serious? Is the Prime Minister himself serious? The Canadian people are surely not being fooled. The Social Crediters must hide their real selves under the cloak of nationalism in order to secure the acceptance of a small group of people, who soon realized the mistake they had made on June 18, while the government seems to be living behind a smoke screen, that colossal hoax which is the preamble to the coming disappearance of the Conservative party, which will never succeed in administering our country properly with its day-to-day policy and its lack of foresight.

I would never pretend that this government has done nothing for the past five years. It has established its own records and when I say records I mean record deficits, record unemployment, record policy reversals, record devaluation, record tax surcharges, record tight money, etc.

An hon. Member: Of what government are you talking, please?

The Deputy Chairman: Order. I should like to point out that the hon. member who has the floor should not be subject to interjections and that he is entitled to make known his views about the present administration.

Mr. Valade: On a point of order, Mr. Chairman. I thought that the hon. member was referring to the provincial administration of Mr. Lesage.

The Chairman: I declare this question irrelevant to the debate.

Mr. Laniel: Mr. Chairman, I could say by the way to the hon. member for St. Mary (Mr. Valade) that Mr. Lesage has proven himself at the last provincial election.

However it must be admitted that the Conservative government has nevertheless succeeded in doing certain things; it has improved certain pieces of legislation, especially social security legislation and legislation relating to short term projects. It had much trouble in solving major problems: its economic policy was never clear. Today it betrays its action in the Coyne affair, which was for the Conservatives a personality conflict and a stubbornness in not admitting their bad administration. The government has always tried to avoid its responsibilities; it laughs at the Liberals' economic planning, when the only alternative it has to offer is the appointment of commissions—another of its records.

Mr. Chairman, it seems they are afraid of keeping up with the times; they fear evolution and change; in fact they are more and more conservative. The Prime Minister (Mr. Diefenbaker) went to London; he lamented and his general attitude was not cheering for the Canadian people, and less so for the English people. Has he thought of the consequences that would result from a rejection of Great Britain's entry into the common market? What benefits would we gain from a weakened Great Britain, isolated from the west European bloc?

What about the statement by the secretary of state for commonwealth relations, published in the Toronto *Telegram* of September 17, 1962, which reads as follows:

> While Australia and New Zealand were practical and helpful in looking for means of improving common market conditions to the commonwealth, Canada was uncompromising.

Great Britain's purpose is quite clear. If she succeeds in associating with Europe, that will only strengthen the free world and help to offset the communist empire.

Why did the government not consider seriously the observations of the Leader of the Opposition (Mr. Pearson) who, on February 28, 1961, urged the Prime Minister to face the problem and suggested closer economic ties with the United States and other free nations to provide for negotiations in order to possibly participate in or even take advantage of the experience of the common market.

Mr. Chairman, what do the people think of the austerity program enforced immediately after the last election and which brought about credit restriction and custom surcharges? Obviously, the government said nothing to the Canadian people about the foreign exchange situation during the election campaign. The then minister of finance pretended it was only during the third week of June that the situation took a turn for the worse, while the Prime Minister stated that it is only on June 15, 16 and 17 that losses became larger. Well, according to figures supplied by the government on October 26, losses amounted to $50 million on May 31, June 1 and June 2; a loss of $17.4 million on June 13; a loss of $35.2 million on June 12 and another loss of $17 million on June 14, for a total of $70 million for the three days preceding the T.V. broadcast where the Prime Minister stated that everything was rosy in the country and that the Canadian economy was booming. And to think that later on, it was said that the Liberal party was responsible for that situation and our party was blamed for certain statements made during the election campaign which were said to have been disastrous for the Canadian economy. What a joke.

That is not all, Mr. Chairman. Is it not unthinkable that those surcharges were imposed by order in council without approval by parliament and that they have kept on levying them for almost six months while denying parliament the right to decide whether those additional taxes were justified or not?

It was the Prime Minister's duty to convene parliament as soon as possible, as suggested by the Leader of the Opposition, in order to inform the house of all the facts instead of playing hide-and-seek even in the speech from the throne.

Not only has the government thus levied taxes by means of import surcharges, but it has collected taxes in the most unfair way of all, by means of tariff increases. Such taxes, more than any other, affect the average man, the housekeeper that is, those who are least able to bear the load. This has raised the cost of living to an all-time high. We can but rejoice at the latest alleviations recently announced by the Minister of Finance (Mr. Nowlan) and I am convinced that all members of this house await the day when all surcharges will be removed and credit restrictions reduced to a minimum.

I do not want to overlook the recent salary "un-freeze" concerning 60,000 federal civil servants and I express the hope that the government will also consider the situation in which the other government employees, who have not benefited from those increases, find themselves. There again, the government has treated the civil servants unfairly by making them pay a larger share of the austerity program than the other Canadians, through a decision which was certainly not in keeping with the procedure established under the Civil Service Act. We have a government which always does too little too late, a fact that is borne out even by the measures it has introduced in the house since the beginning of this session.

A farm credit bill was put before us. But what will the eastern farmers get out of it? Nothing new, except an increase in the number of loans. Why did the government not think of bringing back up to $3 the subsidy on hogs, which had been reduced to $2 following the restrictive measures imposed by the Conservative government? During the debate on that bill, it was suggested that grain elevators be built along the St. Lawrence river to enable western farmers to sell their feed grain directly to eastern farmers. I hope the Minister of Agriculture will not overlook these suggestions.

It is a good thing that the Quebec government is most interested in farm problems because we are too often forgotten when federal legislation is passed. Agriculture is a basic element of our economy and things must be set straight. Our farmers have to be helped and directed by legislation which will deal with the whole agricultural problem. A.R.D.A. has been passed but surprisingly enough no agreement has been made with the provinces even though $50 million have been voted for that purpose. And why this enormous increase in the sale of margarine under a Conservative government, an increase which

is the cause of a sharp decline in the sale of butter, which works against eastern farmers.

Mr. Vincent: Would the hon. member allow me a question?

Mr. Laniel: At the end of my remarks.

Are the farmers happy with the department's latest regulations concerning losses due to animals suffering from brucellosis and tuberculosis? Ask them. This matter, it seems to me, is just as important as crop failures in other parts of the country. New impetus should be given to the measures taken to improve farming and to provide farmers with new sources of income. Support prices for agricultural products should be more effective and farmers should be helped to set up more efficient co-operatives and marketing boards.

Mr. Chairman, the house has passed legislation concerning exports credit insurance but is that sufficient to cope with the problems of our industries, to restore our balance of payments and to eliminate unemployment?

Three years ago, a pharmaceutical firm had to close down its plant in my riding, after having invested thousands of dollars in it. A new plant was established in Japan because our laws did not provide enough protection and left them no other alternative.

Like many other places in the province of Quebec, we have a textile industry whose problems are so serious that recently it had to reduce the hours of work of its employees. The textile industry has been the industrial backbone of many Quebec municipalities but what is being done to protect it against dumping and foreign competition?

The Canadian Garment Manufacturers' Association issued a statement this year to the effect that the importation of Japanese textiles would rob 10,000 Canadians of their jobs. I am not necessarily against Japanese exports to Canada, but I believe there should be a more equitable spread between the various imported products, thus avoiding the ruin of an industry, which, in my opinion, has done a great deal by itself in order to solve its problems and increase its production potential.

Mr. Chairman, at this point I would like to suggest to the government an alternative way of fighting unemployment which has plagued the nation since 1958; this would also promote education. I refer to the winter works program which I consider as a short term solution, but of which we must take as much advantage as we can until we see an improvement in the economic conditions. I consider that the terms of the bill should be widened in order to include school boards thereby endowing this measure with a greater degree of efficiency. However, I wish to point out, since I am dealing with the winter works program, and the Conservative government is happy with this program, that in the province of Quebec, under the leadership of Hon. Jean Lesage our government has placed this act within reach of our municipalities by contributing 40 per cent of the labour costs, thereby increasing the government's share to 90 per cent.

Mr. Chairman, I wish to request the Prime Minister (Mr. Diefenbaker) to speed up the action for the choice of a national flag and other national symbols if he does not want this matter on which a great deal has been said in the past few years, to be settled by a Liberal government.

I consider that those symbols are most important for Canadian unity, not only because they will stand as symbols of our national pride but mainly because they are the gateway to a serious study of other more vital problems for the improvement of federalism based on co-operation, and respect for the rights of all.

When our two ethnic groups raise proudly a distinctive emblem and sing heartily the same officially recognized national anthem, I sincerely believe that a closer relationship will broaden the minds of all Canadians in regard to bilingualism, understanding and good relations between the province of Quebec and the rest of Canada.

The Gordon affair is an unfortunate happening, not because of the loud demonstrations or public statements it has brought about, because, personally, I am in favour of them and I think that the claims of the French Canadians are justified, but it is unfortunate because all English Canadians, even Mr. Gordon, do not understand us as they would like us to understand them. It may be due to a small number of people who are disappearing, but they are vocal in too many quarters. We, the representatives of the people, must try to promote in our own riding and our own province the great understanding that should exist *A mari usque ad mare.*

Mr. Vincent: Mr. Chairman, I wish to direct a question to the hon. member for Beauharnois-Salaberry.

He said a while ago that no agreement had been reached by the provinces under the Agricultural Rehabilitation and Development Act. Can he tell me if the authorities of the province of Quebec signed an agreement with the federal government under that act? If so, why? If not, for what reason?

Mr. Laniel: Mr. Chairman, the agreement may have been reached effectively, but a board has not been set up to apply the provisions of the act.

Mr. Vincent: What does the hon. member think of the statement made by Mr. Lesage on October 19, 1962?

The Deputy Chairman: Order. I had recognized the hon. member for Nicolet-Yamaska.

Mr. Vincent: Mr. Chairman, I only wanted to ask the hon. member for Beauharnois-Salaberry a question.

Mr. Gregoire: Mr. Chairman, before interim supply is passed, I would like to make a few remarks concerning the way money paid by Canadian taxpayers is spent.

We must not overlook the fact that the credits we are asked to vote today come primarily from our own pockets. That money comes from the people. It is taxpayers' money that we are asked to spend. It comes from the taxes we pay. Mr. Chairman, I wish to protest today against that practice which was used not so long ago to spend the people's money, the money which has been taken from the taxpayers' pockets.

In fact, seven or eight years ago, the federal government established the Canada council, giving it $100 million. This money came from our taxes. And the council was told to invest that money and to use the income to help deserving groups.

So, public funds were given to the Canada council.

Here is what the council did with that money. It is precisely against those investments that I protest. Amongst other things, it made seven loans to the Industrial Acceptance Corporation, one of which was granted on April 9 last on a promissory note for $300,000 at 3½ per cent. The Industrial Acceptance Corporation has to pay only 3½ per cent interest while it charges Canadians who borrow that money which comes from their own pockets, 30 per cent.

In other words, Mr. Chairman, the government takes money out of my pocket to lend it to a finance company at 3½ per cent interest, and the same company lends back to me the same money which comes from my pocket and charges me 30 per cent for this service. We on this side of the house protest against such a practice. I had to pay the Industrial Acceptance Corporation 32 per cent for financing my car and yet that company pays only 3½ per cent interest on a loan which was granted thanks to the income tax I pay.

Mr. Chairman, I want to protest against such facts.

And now, let us consider the list of directors of the Industrial Acceptance Corporation. We notice there former ministers of the Liberal government from 1945 to 1957 who voted for the act providing for a $100 million payment to the Canada council—

Mr. Ricard: Who?

Mr. Gregoire: —and who can now obtain loans from that very Canada council.

Mr. Ricard: Name them.

Mr. Gregoire: Needless to name them. Let them go to the companies and see for themselves. I do not want to make personal remarks but there are former ministers who established that council and who are now using that money; they have given $100 million to the Canada council from which they borrow at 3.5 per cent interest and lend me money at 32 per cent interest because they are directors of the Industrial Acceptance Corporation.

That is a shame, Mr. Chairman, a shocking state of affairs which requires that the government investigate without delay and find out where the public money is invested.

And at the same time, Mr. Chairman, the present government is borrowing money on the commercial market and issuing bonds at 5.5 or 5 per cent interest whereas its money is being loaned to finance companies at 3.5 per cent.

I shall name other companies, Mr. Chairman. The Industrial Acceptance Corporation has in fact seven different loans for more than $1.5 million. Let us not forget that they lend us that same money at 32 per cent.

An hon. Member: In what year?

Mr. Gregoire: Miron Limited is another company that got a loan. A director of Miron Limited was formerly a member of the Liberal government and the same man is a director of the Industrial Acceptance Corporation.

I could point out several other companies whose president or director is the same man and also one of those who established the Canada council.

(Text):

Mr. Scott: The hon. member has said that members of the late Liberal cabinet are directors of these companies. So far he has not shown us he is able to give us the names of these people. Can he do so?

Mr. Gregoire: I have the names and I can name them.

(Translation):

Mr. Chairman, I personally approached the federal office which controls finance companies here in Ottawa to get some information. I do not care to give names. Just look up the list of directors of the Industrial Acceptance Corporation, and you will see. You will find the names of former cabinet members. You will know whom I mean.

The same applies to Miron Ltd.

If you want any names, Mr. Chairman, I can give them to you: the former prime minister of Canada, the Right Hon. Mr. St. Laurent, director of the Industrial Acceptance Corporation, is among those who—when he was prime minister—voted $100 million to be paid to the Canada council. He is just one of them. He is also a director of Miron Limited.

Now, there is Traders' Finance, with another loan at 5¾ per cent. Traders' Finance is a company which finances motor car purchases at 24 per cent.

Mr. Chairman, what I think is shameful is somebody taking my money and lending it at 5 per cent or 3½ per cent to some finance company, so that when I want to finance my car, I am lent my own money at 24 per cent interest.

That is unacceptable, and calls for a general protest. Therefore, I shall ask for an investigation on the use of the people's money levied in the form of taxes. I think this government might investigate this matter.

I also see here the Union Acceptance Company. It is strange, Mr. Chairman, that all finance companies which borrow money from the government, take unfair advantage of the people, causing much distress because of the excessive interest rate they charge. And they do this with our own money. This is intolerable.

I might also mention other insurance companies, loan companies and finance companies.

The Quebec Natural Gas Company even borrowed $475,000 at 5¾ per cent interest, while the federal government has to issue bonds. Those bonds are quite difficult to sell and the government has to pay a high interest rate.

Mr. Chairman, what would you think of an individual having $5,000 who would loan that sum at 3 per cent interest to his neighbour while borrowing from another neighbour at 6 per cent? What would you think of such a man? You would say: "It is time for him to put his business in order". It is also high time that the government put some order in its finance business, if it does not want to carry on with a perpetual deficit, as has been the case for too long a time.

Mr. Chairman, I would also like to mention the questions I asked the other day in the house. I tried to get them answered, more particularly with regard to the C.N.R., its board of directors and its management. I failed to get any answer.

At that time, Mr. Speaker had replied that it was not the right time for putting grievances forward in the house, and that is why I am coming back to the point today.

Mr. Chairman, when we look at all that happens in the Canadian National Railways at this time, nobody can be very much surprised to see that this crown corporation does not want to answer.

For instance, everyone knows that the Canadian National Railways operate a trucking business in the province of Quebec, without having a license from the transport control board; in fact they are being prosecuted by that board. The transport commissioners in Ottawa tell us: "Well, we are waiting for the courts to decide."

I do not want to labour the point, Mr. Chairman. However, it is somehow like a bank thief who would say. "I shall steal and if I am caught, it will be too bad. If I am not caught, I shall go on."

That is exactly what the C.N.R. is doing at present in the field of trucking in the province of Quebec. While all other operators have to obtain a licence from the transport board to be able to start their business, the C.N.R. is launching its operations right now and awaits prosecution. Obviously, this company is saying: "We shall wait for two years until judgment is rendered".

This is similar to someone committing a crime and awaiting the results, while saying: "Too bad if I get caught". This is the situation.

May I call it five o'clock, Mr. Chairman, and continue at the next sitting?

(Text):

The Deputy Chairman: Order. In order that the house may proceed to the consideration of private members' business, pursuant to section 8 of standing order 15, it is my duty to rise and report progress and request leave to sit again later this day or at the next sitting of the house, as the case may be.

Progress reported.

INDUSTRIAL RELATIONS

AMENDMENTS REVISING MEDIATION AND CONCILIATION PROCESSES, ETC.

On the order:

Second reading of Bill No. C-23, to amend the Industrial Relations and Disputes Investigation Act —Mr. Howard.

Mr. Peters: Stand.

Mr. Churchill: Stand.

Mr. Pickersgill: Mr. Speaker, I rise on a point of order. Other hon. members have bills, and is there any reason why a public bill should keep its priority when the hon. member is not here to proceed with it?

Mr. Speaker: At the government's request the bill may stand; that has been the accepted practice. We will call the next item.

SENATE AND HOUSE OF COMMONS ACT

AMENDMENT RESPECTING ELIGIBILITY OF MINISTERS

Mr. Stanley Knowles (Winnipeg North Centre) moved the second reading of Bill No. C-24, to amend the Senate and House of Commons Act.

He said: Mr. Speaker, this is a very simple bill. It would put into the Senate and House of Commons Act as a new subsection the following words:

No person who is a director of a company incorporated under the Companies Act or under any other public general act of Canada, or incorporated by a local or private act of Canada, shall be eligible to be a member of the Queen's privy council for Canada and a minister of the crown.

When I had the privilege of introducing this bill on October 1 I said by way of explanation that the effect of the bill is to establish by law what is now recognized in practice. As hon. members know, it has long been a subject of concern that two things be maintained, (1) the independence of parliament and (2) the avoidance of conflict of interest. There are a number of provisions in the Senate and House of Commons Act and in other pieces of legislation which aim to secure the independence of parliament and the independence of members of parliament from undue influences. But we also recognize that it is important that so far as cabinet ministers are concerned there be no conflict of interest between their public responsibilities and any private duties or obligations.

During the regimes of the Right Hon. W. L. Mackenzie King and the Right Hon. Louis St. Laurent there was considerable interest in this subject. It is well known that both of these former prime ministers requested members who joined their cabinets to relinquish directorships of companies in so far as it was possible, but he did not require them to do so. It is a matter of record—this can be found by consulting various sessional papers that were brought down a number of times in response to motions of mine—that most members of the cabinet of the last two prime ministers who had directorships resigned them on becoming members of those cabinets. However, this was not in those days a universal practice. During the last few years of the late Liberal government there was an outstanding case of a minister of that cabinet holding the directorship of a company, and many of us on the floor of the house felt there was a conflict of interest. We endeavoured to persuade the government of that day that that minister should either resign from the cabinet or resign his directorship. We did not win the point at that time, but at any rate the public did come to realize that the point we were making was valid.

I have to say quite frankly, Mr. Speaker, that the present Prime Minister (Mr. Diefenbaker) seems to have accepted this contention. Naturally, we outside the cabinet do not know all the secrets of what goes on inside the cabinet; we do not even know the secrets involved in getting appointments to the cabinet. But it is our general and public understanding that the present Prime Minister requires of anyone who would become a member of his cabinet that he resign any directorships he has. I understand, for example, that one of the most recent appointees to the cabinet—who does not happen to have a seat in this House of Commons—resigned a long list of such directorships and did so before he became a member of the cabinet. I placed on the order paper not long ago a series of questions similar to questions I put on the order paper in previous years, to which answers were given that make it

clear that no member of the present cabinet is, or has been since becoming a member of the cabinet, a director of any company as defined in the new subclause which I think should be written into the Senate and House of Commons Act.

Therefore, Mr. Speaker, it is not necessary for me to argue for the acceptance of the principle contained in this bill, as I had to do when the Liberal government was in power and had in the cabinet at least one minister who was a director of a company. But it seems to me that now that this has been accepted as a recognized principle of practice we should write it into the law. I suggest that this is in the same category as the requirement that members of parliament shall not hold any office of emolument under the crown, or that members of parliament, whether they are private members or cabinet ministers, shall not be involved in any business relations with the government. As I say, Mr. Speaker, there are a number of other requirements of that nature protecting the independence of parliament. I think this same procedure should now be followed with regard to the position of cabinet ministers. As I have already said, I do not have to argue with this present government that cabinet ministers should not be directors; the present Prime Minister has accepted that. But it seems to me we should write into the law what is now practice, and we should make it clear that any future government, no matter what party it might be, will have to continue the practice that is now being followed.

I do not know whether the hon. member for Lapointe (Mr. Gregoire) in the remarks he made just before five o'clock in another debate was seeking to set the stage for the discussion of my bill. At any rate, some of the remarks he made at that time were certainly relevant to my suggestion that it would be a good idea now to make this kind of protection for the future. I am free to admit that, so far as I am concerned this bill of mine does not go far enough. Men can resign from directorships in companies and corporations and still have a fairly strong personal interest in those companies. However, I do not yet know of any way, so long as we have the present kind of economic system, by which we can compel these men to divest themselves completely of their connections, although it is a fact that in the United States the law goes much further than is the case with respect to this bill.

In that connection may I say this. We feel that the affairs of our country should be run by people with the interests of the country at heart, and that this situation will come about only when we have a government made up of people drawn from all walks of life, particularly with representatives of the working people, the farmers, the consumers and those engaged at the ordinary level in the life of our country. I may say quite frankly, Mr. Speaker, that is why some of us have tried to organize in this country the kind of party of which we in this corner are members and for whose progress we are working for all we are worth. However, under conditions as they are it seems to me that this is perhaps as far as we can ask this house to go. However, we certainly feel that the house should go at least this far.

[Mr. Knowles.]

I therefore have pleasure, Mr. Speaker, in moving the second reading of this bill the effect of which would be to provide that no directors of Canadian companies shall be eligible as ministers of the crown. In view of the fact that this is the practice now being followed by the government I dare to hope that the government might accept and support this bill.

Mr. G. W. Baldwin (Parliamentary Secretary to the Prime Minister): Mr. Speaker, I doubt that anyone in the house would quarrel with the principle which the hon. member for Winnipeg North Centre (Mr. Knowles) has sought to clothe with legal words in order to make it effective. However, the point on which I find myself in most agreement with him is when he says he had to admit he had experienced the utmost difficulty in attempting, if I might paraphrase his words, to find a legal bill or a legal vehicle which would carry forward into actual practice the thought which he has expressed. I wish to deal with the bill on a technical basis. I am going to deal with it on broader principle later on.

On the technical wording of the amendment which is proposed by this bill I think prima facie there are certain obvious defects which must appear to those who examine it. It reads as follows:

> No person who is a director of a company incorporated under the Companies Act or under any other public general act of Canada, or incorporated by a local or private act of Canada, shall be eligible to be a member of the Queen's privy council for Canada and a minister of the crown.

I refer particularly to these last lines, "to be a member of the Queen's privy council for Canada and a minister of the crown". I am assuming that, in order to be a minister of the crown, you must be a member of the Queen's privy council and that these are interchangeable words. If that is so, while the word "and"—and I hope the hon. member is following me—is usually conjunctive, I wonder if it would have that interpretation here. I suggest that the words "a member of the Queen's privy council" must be regarded as surplusage

unless the word "and" is interpreted to mean "or". I can take no other meaning from it. If this be the case you would then have this situation, and this is the sort of thing which arises when legislation of this kind is drafted to serve a purpose and is subjected to the attacks which most legislation at one time or another is at least considered to be eligible for. You would have a situation where there are, I think, according to the last returns, approximately 86 or 87 members of the Queen's privy council, including those who are ministers of the crown. If this amendment has the meaning I take it to have, or could very easily have, you would then have a situation where those who were at one time ministers of the crown and have ceased to be such, or those who have been appointed for other reasons—and there are some very distinguished names which appear on this list—would come under the sanctions of this particular amendment. For example, I notice the name of a former prime minister, namely Mr. St. Laurent and Hon. Robert Winters who obviously, or at least apparently, are not now interested in the public life of this country. I use the word "apparently" with deliberation.

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

Mr. Baldwin: Surely.

Mr. Knowles: Is it not a fact that each of the gentlemen to whom the hon. member has referred is a member of the Queen's privy council and will be one for the rest of his life, but that he is not both a member of the Queen's privy council and a minister of the crown?

Mr. Baldwin: As I say, this is begging the question. You go back to what would be considered to be a reasonable interpretation. I submit that it is quite reasonable for the word "and" to be construed as "or" in this particular case. If I am correct in this suggestion, then a member of the Queen's privy council but not a minister of the crown would be subject to the provisions of this bill.

Then there is a restriction, of course, as there necessarily must be, to a company incorporated under the local or private acts of Canada or public general acts of Canada. I do not know whether there could be an evasion. I am considering the matter. Quite possibly there could be an evasion of the spirit of the principle which the hon. member has in mind by being a director of a provincial company, a situation which might still bring up this question of conflict of interest just as frequently and just as substantially as if the minister of the crown were a director of a company incorporated under an act of Canada. This would rule out those who might hold directorships in companies incorporated under an act of Canada and of a charitable or community nature. I am not in a position to indicate whether there are or might be any. However, I think it is quite conceivable that the board wording which the hon. member has seen fit to use here could prevent people of that description from being a minister of the crown.

Before I go on to deal with the larger aspects of the proposition and to give my views as to why I do not think this particular amendment will serve the purpose which the hon. member has in mind, I think I should put on the record the position which has been taken by this government. The hon. member was good enough to refer to it. I think we can go back prior to 1959. In the debates of 1956, as recorded at page 5539, I find there was at that time a debate which took place in connection with the review of the estimates of the Department of Defence Production. The point at issue there was whether or not Mr. Howe, because of his position as an executor of the estate of Sir James Dunn, was in a position where the conflict of interest principle applied. I notice these comments by the Prime Minister on June 29, 1956, as found on page 5539 of *Hansard*:

> I began by a reference that I believe summarizes the general attitude of parliaments in the British tradition to the need for ministers of the crown at all times to act in such a way that their conduct is in keeping with the proprieties of parliamentary traditions, and also in their conduct at all times to appear to keep within the limitations that the traditions of the past have imposed upon all who hold the high and honourable position of minister of the crown.

There then follows a quotation from a statement made by Sir Winston Churchill who at the time he made the statement was prime minister of the United Kingdom.

> It is a principle of public life that ministers must so order their affairs that no conflict arises, or appears to arise, between their private interests and their public duties.

After the government changed in 1957 the principle which had been enunciated was repeated on at least two occasions by the right hon. gentleman who is now Prime Minister. I refer first to *Hansard* for 1960-61, page 6599, where the Prime Minister said in response to a question:

> Mr. Speaker, the first act of the present government when it came into power was to ensure that no minister in the cabinet would hold a portfolio while at the same time having a position as a director of any company, whether public or private. That was to prevent the possibility of there being any connection between the award of contracts and the relationship of a minister to a company which might be in receipt of a contract.
>
> I can only say in answer to the hon. member what I said the other day, that at no time did I ever hear directly or indirectly of anything which

would have supported the suggestions that were made the other day during the course of the royal commission hearing. I can only say that we took measures we had advocated through the years, that ministers should not be connected in any way with corporations. That was a course we felt was necessary in order to preserve and maintain the integrity not only of ministers but also of the administration.

As found on page 7037 of *Hansard* for the same session the Prime Minister again answered a question in these words:

Mr. Speaker, I think the hon. gentleman answered his own question when he quoted what I said, namely that the ministers were asked to remove themselves as directors of companies. The hon. gentleman realizes that, as an eleemosynary or philanthropic organization, a hospital organization does not come within the category of companies. I am surprised that he is so shocked that the Parliamentary Guide so records the fact after the experience we had through the years of ministers of the crown being directors of companies that were dealing with the previous government.

That was the position being taken before this party formed the government and it was the consistent position adopted afterwards, a position which is not the same, as was mentioned by the Prime Minister, as that taken by the previous government. There is a noticeable distinction, and I find that nowhere is that better expressed than in two statements made by Mr. St. Laurent when as prime minister he was participating in a debate on May 12, 1955, and said, as found at page 3690 of *Hansard*, in response to a question asked by the present Prime Minister:

That is a matter about which I inquired before I became a member of the government, and I was told there was no rule of law or even traditional practice that required anyone who accepted such responsibilities to sever any previous connections he might have had. I was told that was something for each individual to consider in respect of his own position, and he might feel that it was desirable to sever all connections. In fact I felt that it was desirable to sever all such connections to avoid occasions for the kind of criticism—which I feel is not justified—

He referred to the criticism then being directed against one of the ministers. He later repeated this same comment and went on to say that this was a suggestion which had been made to him by Mr. Mackenzie King. I think there is a plain distinction there. The present Prime Minister has laid it down in the position he takes, which is consistent with that he took before 1957, that ministers of the crown should divest themselves of directorships. The position of the official opposition, as expressed in 1955 when they formed the government, was that this was something for each individual minister to consider according to his own views and the dictates of his own conscience.

There is another great error which I think has crept into the reasoning of the hon. member in his attempt to obtain adherence to this principle by means of legislation. I have been engaged for a great many years in the study and practice of law, in fact since I began as a student at the age of 17. While it is essential and necessary from time to time to amend the law in order to try to obtain needed and necessary reforms and changes in legislation to meet the exigencies of the day, where there is, as in this country, an adherence to the common law system, a tradition of constitutional practice and an opportunity to build up a body of good, sound practice, I have come to the conclusion after all these years it is better to let this matter be dealt with in that way and to let it be molded and changed according to the changes in day to day and year to year requirements rather than embodying it in legislation which, as the hon. member has admitted, simply cannot meet the varying situations it must meet in order for his requirements to be completely served. I think this is a good illustration of this particular viewpoint.

There is a legal principle known to members of my profession that the mention of the one is the exclusion of the other. It seems to me that when the hon. member is attempting to incorporate this principle imperfectly in the form of legislation he is in effect saying that this matter will now be in statutory form, that within the statute will be contained the four corners of what he considers to be necessary to meet the problem of conflict of interest and that from now on nothing else goes. This is a very reasonable interpretation which could be made if this amendment to the Senate and House of Commons Act should become law. I think we would be left in that position.

It seems to me it is better to leave things as they are in view of the fact that the government has now adopted this principle. While I cannot offer any hope to hon. gentlemen opposite with respect to when they may cross the floor and occupy the positions of the government, I suppose that some day Liberals yet unborn will come here and form a Liberal government. But when this does happen I think they will then find enshrined and embodied in the constitutional practice of this country the system advocated and put into practice by the Prime Minister, and a principle which cannot then be altered. Having in mind the fact that you may have to envisage a situation where you would be dealing with more than just a directorship in which there might be a conflict of interest, I feel that this situation should be covered by our body of constitutional jurisprudence.

For example, in conducting a little research on this subject I find that in 1918, I believe it

was, there was an attempt to cover this situation. At that time a great many members of parliament were directors of companies which had engaged in contractual relationships with the government and some members felt something should be done to remedy the situation. A resolution was offered for the purpose of dealing with it. While there is, of course, a difference between an attempt to prevent a member of parliament from being a director and preventing a minister of the crown from being a director, nevertheless I read this to indicate to hon. members the type of language which was considered essential at that time to meet the situation.

The resolution was to disqualify any member during the time he is a director of or holds, either directly or indirectly, a controlling interest in any incorporated company from having a contract or agreement with the government, express or implied. Now, legislation framed in those words might come closer to meeting the situation, but it seems to me there could still be other combinations of facts which might give rise to a conflict of interests. It is my submission we have now made substantial progress towards covering the situation and I think the sensible thing to do would be to leave the matter open to become just as much a matter of constitutional practice as is responsible government.

Mr. Knowles: Would the hon. member permit a question? Would the hon. member, then, apply the same principle to the sections of the Senate and House of Commons Act that relate to the independence of the house? Would he take those sections out of the act and leave that matter open? In other words, I am asking, why not treat cabinet ministers the same way members are treated by writing the appropriate requirements into the law?

Mr. Baldwin: I am afraid I would not want to answer that without reading the particular sections. I think the hon. member and I might have a very interesting philosophic dissertation about it, and I shall be glad to meet him and discuss it with him.

Mr. Hubert Badanai (Fort William): In rising to support this bill, I might point out that it is based on a well founded tradition of this house. The parliamentary secretary to the Prime Minister (Mr. Baldwin) referred to an occurrence in 1918. I submit that one of the earliest and certainly one of the clearest opinions of the principle involved in this bill was once given by a prime minister of Great Britain nearly 50 years ago. The Right Hon. Herbert Asquith, speaking in the British House of Commons during a debate said, and I quote:

> Ministers ought not to enter into any transaction whereby their private pecuniary interest might, even conceivably, come into conflict with their public duty. . .Again, no minister is justified under any circumstances in using official information, information that has come to him as a minister, for his own private profit or for that of his friends . . . Again, no minister ought to accept from persons who are in negotiation with or seeking to enter into contractual or proprietary or pecuniary relations with the state any kind of favour.

Now, what the bill is attempting to achieve is to incorporate into the law a principle which is usually recognized in practice. I realize that there have been times when this practice, unfortunately, has been ignored. However, I think the principle of the bill is sound and I do not wish to prolong the debate unnecessarily because this would prevent the passage of timely legislation about which there should be no objection from any quarter of the house.

With all due respect to the parliamentary secretary, I may say that his chief objection to the bill is the reference to members of the privy council who are no longer members of parliament, and who may be affected. As a matter of fact, this bill does not envisage any such restrictions at all. I should like also to bring to the attention of this house a possible further application of this principle, one that has particular importance today because of the widespread personal financial interest in corporations with wide ramifications in almost every phase of industry and business.

All governments today are connected in one way or another with big business. The actions and decisions of the federal government have a continuing impact on all sectors of the economy. This is one factor that was not present when the rule pertaining to ministers having conflicting interest was originally drafted. At this point I should like to suggest a further development of this principle by providing that for a period of one year an ex-minister may not hold a directorship in a publicly owned corporation.

Any day now the Prime Minister may stumble across his February, 1958, dissolution speech and rediscover his conclusion that Canada cannot be governed very well by a minority government. If this happens, then presumably he will call an election. One result of that election conceivably might be that the 22 present cabinet ministers would find themselves without their ministerial responsibilities. No doubt they would find other work, and more lucrative work. Some of them might be asked to serve on the boards of corporations. By virtue of the fact they held positions as ministers of the crown they would naturally have gained knowledge that would be invaluable to the operation of industries of various types. These ex-ministers could use their acquired knowledge to the

great advantage of the private corporations. It is with the possibility of this development in mind that I make the suggestion that the rule of obligation, as we now understand it and as it is embodied in this bill, be extended beyond the actual date when a minister ceases to hold a cabinet position and that he be barred from holding a directorship for a period of one year.

I should like to point out, Mr. Speaker, that I do not wish to imply present ministers would take advantage in any way of such a situation. Indeed, I do not wish to cast any reflection on any members of the present cabinet. Sir Winston Churchill, on February 25, 1952 as recorded on page 702 of the British *Hansard*, had this to say:

> It is a principle of public life that ministers must so order their affairs that no conflict arises or appears to arise between their private interests and their public duties.

What I am suggesting, Mr. Speaker, is that this principle should apply for a reasonable period of time after a cabinet minister leaves office in order to avoid the appearance that his private interests are in conflict with his past public duties. This need not take legislative form but could become, rather, a part of the code of ethics which, although unwritten, governs the role of the executive under our parliamentary system.

This bill contains no controversial objectives. It is simply a confirmation of a practice which ministers generally have adhered to, and if approval of the bill will do away once and for all with possible situations embarrassing to this and future governments then I urge unanimous approval for it, and in so doing wish to commend the hon. member for Winnipeg North Centre for introducing it.

(Translation):

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I will only say a few words because I am in favour of this bill.

However, I would like to suggest to the hon. member for Winnipeg North Centre (Mr. Knowles) that he should have included in his bill the bank directors.

(Text):

Mr. Knowles: They are included.

(Translation):

Mr. Plourde: To me, this point is very important.

So as not to waste time, we should pass this bill immediately. It would be appropriate to support it and pass it, so as to eliminate all those who could creep into these agencies or find, as substitutes, somebody who would only be concerned with their private interests. It is therefore only fair and reasonable that we pass this bill without delay.

Thank you, Mr. Speaker.

(Text):

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I observe the hon. member for Winnipeg North Centre attempting to try to close the debate, and I must say I sympathize with his effort, but we cannot proceed with this measure without giving it more careful examination. I feel that while in principle it is a very good bill there are a great many deficiencies in it. To begin with, the parliamentary secretary pointed out one of the difficulties, and that is in making an act of parliament or in defining a situation we sometimes lose the spirit of what is intended.

As the sponsor of the bill has said, the present government and members of the cabinet have resigned directorships and have carried out in effect the spirit of the bill; but it is open to question whether the bill as worded is broad enough to cover many of the situations that exist even now. I would like to mention some of these loopholes, so that the bill might be altered before it is passed.

The first and major problem I see is the lack of inclusion of provincially incorporated companies. The bill itself is quite clear that it can only apply to acts of the parliament of Canada; but most of the corporations operating within provinces are incorporated by provincial charter. Therefore the exclusion of directors of provincial corporations is a basic exclusion and to that extent the bill should be amended. It has a wide open clause which could easily be avoided by a person who is a director of a provincial company.

There are several other difficulties. As has already been pointed out, non-profit making corporations are also governed by directors, and they should also be covered. I do not think that directors of fraternal organizations and other such philanthropic corporations should be required to resign their directorships, and to that extent the term "director of a company" is too broad.

In addition to these generalities there are a good many ways by which an individual who wanted to get around the spirit of the bill could do so. There is no mention in it of the wives of directors, and the possibility of directorships being carried on in effect by the party involved but actually being in the name of his wife or a member of his family.

Another comparison should be made in connection with shareholders, and if we consider what happens in other countries we find that shareholders in large corporations which deal with governments are required to divest themselves of their shares before taking cabinet posts. This is particularly true

in the United States where many cabinet ministers have been shareholders in large motor corporations and have had to divest themselves completely of their shares, at very great personal loss, in order to take up duties as cabinet ministers. Whether or not the bill should be extended that far I am not prepared to say at the moment, but it is something that should be carefully considered.

Then there is always the possibility of a person holding stock in a company in trust, in the name of some other person, and there is also the situation of a director or shareholder in a controlling company which exercises control over a subsidiary. I am not suggesting that any ministers of the crown would adopt these methods I have mentioned in order to get around the provisions of the bill. It would be most unworthy of them and I would not expect it to happen; but my point is that in defining in very narrow terms what a cabinet minister shall do before assuming his cabinet post, we leave open a large number of things that probably should be included. I agree with the parliamentary secretary, that to legislate is not always in the best interests of securing results.

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

Mr. Aiken: Certainly.

Mr. Knowles: I thought the hon. member would. Since he seems to favour the principle of the bill but would like to see it improved, how would he like to agree to second reading being passed and the bill being referred to the committee on banking and commerce, of which he is the chairman, where he could play a very distinguished role in helping to improve it?

Mr. Aiken: Mr. Speaker, I will answer this by saying that I believe the bill is so basically deficient that it should be withdrawn and redrafted before we send it to the banking and commerce committee, or any other committee.

Mr. Knowles: That is a reflection on the distinguished lawyer who drew it up.

Mr. Aiken: I do not know who drew it up but I suspect that whoever drafted the bill did so in accordance with principles which were set forward. I am pointing out that the principles are not broad enough. The bill is open to misinterpretation and there are loopholes. The hon. member himself is an authority on the question of amendments. It seems to me the bill is so basically deficient that if we tried to amend the clauses we would find ourselves out of order. The bill includes only directorships in companies incorporated by act of Canada. If we are going to deal with this matter the bill should be redrafted before we even try to amend it.

The parliamentary secretary mentioned the wording of lines 11 and 12. He called attention to the inclusions of the word "and" in the phrase "a member of the Queen's Privy Council for Canada and a minister of the crown". I would agree with the hon. member for Winnipeg North Centre that this is the type of change which might well be made in committee. If the words "who is" were substituted for the word "and" so that the phrase would read "a member of the Queen's Privy Council for Canada who is a minister of the crown" the matter would be more clear. If that were the only difficulty about this bill I would agree it might be worth sending to a committee where it could be further considered.

Another point I wish to raise concerns the fact that the words "directly or indirectly" are not used. I realize that many people who are not lawyers say lawyers are quibbling with words when they use such expressions as "directly or indirectly", but in this case I think it is important. A person can control a company without actually being a director. The words of some of the earlier statutes were probably more apt.

Mr. Knowles: Is the hon. member suggesting that some of the members of the present cabinet who have resigned directorships are indirectly still controlling the companies with which they were connected?

Mr. Aiken: I am not suggesting that. A moment ago I said I did not believe that any cabinet minister either in the past or in the future would be likely to resort to underhand methods of controlling a company where direct methods are prohibited. I am positive he would not do so. None the less, if we are asked to legislate we must legislate carefully. If certain words are used, those are the words which apply, and everything else is excluded. At present this is a question of trust. It is a question of the policy which has been laid down. If there is legislation, you have only the words to follow, not the spirit of the institution. For that reason I feel that the principle of the bill is deficient. It is deficient in its spirit and it is deficient in relation to the provincially incorporated companies.

Mr. Thomas M. Bell (Parliamentary Secretary to the Minister of Justice): I was not sure that my hon. friend was going to give me an opportunity to speak, though I am anxious to take part in this debate. I agree 100 per cent with the thought behind this bill, but I would question whether it is necessary at the present time to set this principle in statutory form. I do, however, want to say that in my opinion the hon. member for Winnipeg

North Centre deserves credit for continuing his efforts to bring this type of thing before parliament and the people.

I also believe we are fortunate in Canada that we have at the present time, as well as in the past, little difficulty about conflicts of interest such as have prevailed to some extent in the United Kingdom and in the United States. The parliamentary secretary to the Prime Minister has expressed in an able way the legal disabilities which exist with regard to this bill. One of the thoughts he put on record was whether the bill in its reference to privy councillors would include all privy councillors or just those who are members of the cabinet.

When I look quickly through the record, one case which strikes me is the McCann controversy which arose in 1955. Information about this is to be found on page 6040 of volume 6 of *Hansard* for the 1955 session. I draw no conclusions from that brief controversy which concerned the then minister of national revenue, and I only mention it because of its interest in the light of the issue which has been raised by the parliamentary secretary this afternoon.

The present Prime Minister and the then leader of the opposition, Mr. Drew, were questioning the then prime minister, Mr. St. Laurent, as to whether Dr. McCann, who was the minister of national revenue, had obtained certain tax information in his capacity as minister of national revenue or in his capacity as a director of the Guaranty Trust Company. Mr. St. Laurent refused to answer, saying that this was a matter of cabinet privilege. However, he invited Mr. Drew, who was a privy councillor, to come to him confidentially when the information would be made available to him. Mr. Drew declined, but I suggest that here is an instance where information of a cabinet nature might be available to other privy councillors who are not members of the cabinet, which would strengthen the argument of the parliamentary secretary that this bill should include all privy councillors if it were to be enacted.

Mr. Speaker, I see it is six o'clock. I merely add that I feel there is no need for this thought to be expressed in statutory form at the present time. I think we in Canada are very fortunate that our public men have never had any serious conflict, certainly since this government has been in office.

Mr. Speaker: Order. The hour appointed for the consideration of private members' business has now expired.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, since the house will be adjourned on Thursday next will the house leader give the business not only for Monday but for the rest of the week until the adjournment?

Mr. Churchill: It is very difficult to outline the business for four days when we are not certain how much can be accomplished in any one day. We will of course have to finish interim supply in order that money will be available to carry on the normal duties. It would be followed by the national economic development board bill. Our hope, expressed some time ago, was that we could complete before the Christmas recess the national productivity council bill as well. Then there are three or four smaller matters which perhaps the house at the appropriate time would consider fairly rapidly. But we will wait until Monday evening to see what progress we make.

Mr. Chevrier: Would the house leader care to mention those small bills that he has in mind?

Mr. Churchill: The ones I had in mind are these. There is the one under the heading of dominion-provincial tax rental agreements, which affects the universities and another small one dealing with sewage disposal projects. We might be able to bring before the house something with regard to the world's fair at Montreal. Then there is a railway bill dealing with the extension of a railway line in New Brunswick, which perhaps might be considered. These are smaller items which perhaps could be passed rather rapidly through the house. I would also like to bring before the house another subject that was mentioned earlier; that is the proposal to adjust the method of dealing with divorce bills in parliament. On Monday I will ask unanimous consent of the house to raise that particular bill to top place at five o'clock when private members' hour is reached.

Mr. Knowles: The house leader means Tuesday, does he not?

Mr. Churchill: Yes, five o'clock on Tuesday.

It being three minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, December 17, 1962

The house met at 2.30 p.m.

RAILWAYS, CANALS AND TELEGRAPH LINES

Fourth report of standing committee on railways, canals and telegraph lines—Mr. Howe.

EXTERNAL AFFAIRS

NATO—REPORT ON MEETING OF COUNCIL OF MINISTERS

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I thought the house might be interested in a brief report on the NATO ministerial meeting which took place in Paris last week and which I had the privilege of attending along with my colleague the Minister of National Defence (Mr. Harkness), who has gone on to visit Canadian troops in the United Nations emergency force and so is unable to be in the house today.

In the background of this particular NATO meeting was the Cuban crisis; and by the way, may I say that this crisis should not be regarded as having been finally settled as yet. It is true that big steps have been taken toward a settlement, but this has not yet been concluded. The Cuban crisis has had quite noticeable effects on the alliance. One is that as a result of the crisis the diplomatic position of the alliance itself has been considerably improved. Then in my opinion the crisis has served to draw the allies much closer together than they were previously and in the case of the government of each country—and certainly this is true of Canada—it has increased the value we place on this defence organization.

The meetings in Paris lasted for three days and were very harmonious. In fact they were the most harmonious meetings of NATO that I have attended. Great credit, of course, was given to the United States for the firmness yet moderation shown in the Cuban crisis. Some question was raised with regard to methods of consultation in a crisis like this, but no real complaint was made against the United States for the manner in which the allies were consulted or informed.

I think we in the alliance face a new position with regard to consultation. Many threats are of global nature, and furthermore one can never be quite sure in what part of the world the next threat is going to come. Then there is the question of the rapidity with which a crisis may arise. That, of course, was true in the case of Cuba, and it made consultation difficult. The permanent council will be studying from now on methods by which consultation can be improved. There is no doubt that we could have a better system, and an attempt will be made to work one out.

On the first day of the conference there was an extensive review of the international situation dealing primarily with east-west relations. On behalf of Canada I took the position that NATO now has the initiative as a result of the Cuban crisis, and that every effort should be made to retain that initiative rather than getting into the position of always waiting for the communist world to make the first move with NATO then acting in response to communist initiatives.

It was agreed that the alliance must be kept strong, and we believe as well that it should be prepared to negotiate at all times. I think that is a sound policy provided there is no letting down of the guard. We also suggested that there should be an attempt made now to do some contingency planning, as it is called, in the political and diplomatic fields. There has been such planning in the military and economic fields but not sufficient in the diplomatic field. For example, I think there should be several plans worked out which would cover what the alliance should do in case the Russians sign a peace treaty with East Germany. This is the type of contingency planning I think should be done in the political and diplomatic field.

Then we went on to point out that there is a contact with the communist world in the disarmament negotiations which are going on in Geneva. I did not deal with this subject at any length, but Canada is one of the four NATO countries represented on the disarmament committee and, of course, it is a very good field in which to negotiate.

We also dealt with the relationship between NATO and the United Nations. In days gone by there has been a tendency in NATO to write down the United Nations, for quite frequently NATO nations have been criticized in New York. Canada has felt that more importance should be placed in NATO on the activities of the United Nations. For example,

we pointed out several ways in which NATO's position had been improved by activities at the United Nations within the last year, and perhaps the house might be interested in these six examples which I gave.

1. The increasing support which U Thant is receiving and which indirectly undermines the prospects for the troika approach.

2. The determined current effort to find a solution in the Congo and to reduce United Nations operations and costs. These are all examples of how United Nations activities have been of great help to NATO.

3. The satisfactory outcome of Belgium's transfer of power in Ruanda and Burundi.

4. France's brilliant achievement in bringing independence to Algeria.

5. The decision of the international court on the sharing of the peace keeping expenditures of the United Nations.

6. The gain in prestige for the United Nations as well as for the west which has taken place as a result of the outcome of the Cuban crisis. As hon. members know, U Thant has played a significant role in these negotiations, and there can be little doubt that Soviet prestige has fallen in the United Nations and in the eyes of the uncommitted nations of the world.

In this international review I also dealt briefly with the Chinese attack on India. Here again, NATO is vitally concerned with all the developments arising from that unfortunate conflict. Canada feels that India must not be expected to rush to align herself with the west—or, for example, to make application to join NATO. Some people may think that would be very nice, but if India were to give up her unaligned position she would certainly lose a great deal of her standing in Asia and in Africa. We have quite a good understanding of India; there is not only the commonwealth relationship but we serve with India in the United Nations emergency force in the Gaza strip and in the Congo forces, as well as on the supervisory commissions in Indochina. We believe India's position should be viewed with a great deal of sympathy by the members of the NATO alliance.

In the military field the second day was devoted to a consideration of military questions. I think the most significant feature of that discussion was the suggestion by the United States that there is now ample deterrent capability on the western side. Of course there is great deterrent power on the communist side, as well, with the result that it is very unlikely that either of the great nuclear powers would wish to precipitate a nuclear war and the resulting terrible destruction that would ensue. Thus it follows that the crises are likely to be of a nature not quite serious enough to precipitate a nuclear war. In other words the communists may go just so far that they do not actually precipitate a nuclear war.

There is a realization that NATO forces could be improved considerably to deal with that type of situation. In Europe there are, of course, some proposals for a European nuclear deterrent in the shape of medium range ballistic missiles. This question was not decided. It will be studied further by the council. It involves great expenditures; these missiles cost a great deal of money, and I think the European nations would be expected to provide a good deal of the cold, hard cash for such a deterrent. There would also be the question of control, how they would be handled and so on. The Europeans seem to favour land based medium range ballistic missiles, while the United States is more interested in having such a force at sea.

With regard to the conventional forces, there was a plea made by the United States for strengthening them, but this would not apply to Canada; in effect the proposal was made to the European nations. As hon. members know, Canada strengthened her conventional forces a year ago at the time of the Berlin crisis. We were very pleased to have it pointed out, not by ourselves but by the military authorities and the United States, that Canada had lived up to her commitments and, for example, that our brigade was the only combat ready unit in the NATO forces other than those of the United States. In spite of rumours which I have seen in the press at home since my return, there was not a word of criticism of Canada's military efforts in NATO.

Some hon. Members: Hear, hear.

Mr. Green: There was also a discussion on research development and production. As you know, Mr. Speaker, in NATO Canada has always been in favour of sharing arrangements for this type of development, and the Minister of National Defence made a statement to that effect in the course of the discussions.

Finally there was a discussion about special aid to Greece to help her with her defence expenditures. She is unable to continue the heavy expenses to which she is committed, and all the nations, or most of them in any event, are now arranging to give her some help with her defence costs. For example, Canada in 1963, subject to parliamentary approval, will provide $1 million in the way of spare parts for planes which Canada supplied to Greece at an earlier date, and

also $1 million in the shape of foodstuffs for the Greek army. Greece is a strong, close friend of Canada, and is very grateful to us for taking this position.

It was agreed that the next meeting, which takes place in the spring, will be held in Ottawa on May 21, 22 and 23. I am sure that had hon. members of the house been in Paris they would have been very gratified if they had been attending the meetings—I am not looking at anybody in particular, Mr. Speaker—with the reaction of the delegates from the other member nations. They were simply delighted to be coming to Canada for this meeting, and I am sure we will all see to it that they get a warm welcome and that they leave Canada with as good an impression as they have of our country at the present time.

It might be of interest to hon. members if the communique which was issued at the end of the meeting were printed as an appendix to *Hansard* and, Mr. Speaker, if that is the wish of hon. members I have it here.

Mr. Speaker: By leave, the minister wishes to have the communique issued at the end of the ministerial conference printed as an appendix to *Hansard*. Is it agreed?

Some hon. Members: Agreed.

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

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, we on this side of the house join other hon. members in welcoming the minister back from the NATO council meeting. We knew, as it was put in another place, that he would be safe in Paris. We also knew he would be busy.

The minister's statement, as well as the communique of the council meeting, have been received with much interest but, Mr. Speaker, as so often happens in these matters they are perhaps more interesting for what they do not reveal than for what they reveal. The minister said that in his view this was the most harmonious meeting of the NATO council he had attended. There are two ways of ensuring harmony at meetings of this kind. One is to avoid making decisions on important matters; the other is to face important matters and try to come to agreement in respect of them.

It seems to me from what the minister has said that there has been one important decision—certainly one, and no doubt others—that has not been made, and which has been under consideration by the NATO council for a long time now. That is the question of whether or not a tactical nuclear deterrent should become part of the NATO defence system. It seems to me, Mr. Speaker, that until a decision is made in that regard it is very difficult indeed to make a decision with regard to the build-up—and it is important that they should be built up—of the conventional forces which will relieve NATO's dependence to the maximum possible extent on the use of nuclear weapons.

The minister has mentioned with satisfaction that it was agreed at the NATO council that Canada has fulfilled all her commitments. It seems to me, though this may not be a NATO commitment at the moment in the narrower sense, we cannot discharge the role we have undertaken in the air defence division without equipment to carry out that role. That equipment, it is at present agreed, requires nuclear warheads for the strike reconnaissance role. This is a commitment which seems to me to be an important one and which should be carried out or altered.

The minister also said that the question of consultation was again raised. It is raised, I am sure, at every NATO council meeting. It is going to be studied again. I cannot myself see what additional study can add to the studies that have been made in the past with regard to the necessity for consultation. The machinery for consultation surely is there. It is the will to use that machinery in an emergency that is important. While I share with the minister and others who have spoken in the satisfaction the council must have felt over the way the Cuban crisis was resolved by strength and restraint on the part of the United States, it also exposed, as I am sure the minister will agree, this fundamental weakness in consultation before a crisis takes place.

The minister talked about the necessity for emergency planning, contingency planning he called it, in order to avoid a sudden unilateral decision—and I understand contingency planning has been going on for many months now—as to what the coalition should do in case of certain eventualities in Berlin. Surely we have some right to expect that as a result of this kind of discussion and consultation the alliance has agreed what to do in these circumstances. The minister talked, and quite rightly so, about the interrelationship of all problems that confront NATO, whether they cover the NATO area or otherwise. Cuba has certainly underlined the importance of that.

May I say in conclusion, Mr. Speaker, how glad we are that the NATO council has decided, because of the emergency of an election in the Netherlands, to meet in Ottawa in May. I hope the same sort of emergency here will not require a postponement on this occasion. May I remind the minister that of course the NATO council met in Ottawa before—I think

it was about ten years ago—when some very important decisions were made. I hope the meeting, if it takes place in Ottawa this May, will be as successful as the one that took place here ten years ago.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, time hardly permits us to enter into a full scale debate on external affairs and defence policies at this time, even though it is regrettable that we in this house seemingly so studiously avoid discussion of these two topics. I often feel that we who are members of this house do not have sufficient concern for matters within the realm of external affairs, and the question of defence relates to that. I trust that before long we may be able to have a full scale debate on these topics.

Mr. Speaker, I would say to the minister that it is good to have him back. I am sure that his role and his presence in NATO help to restore and re-establish the confidence of Canadians in regard to NATO. He has mentioned that the NATO council will be meeting in this country in the spring. I congratulate him for making this possible, as I am sure that he had a great deal to do with it. However, I remind the house that it would not be too good to have an election campaign during such a meeting, and I wonder whether we might be informed if we could have this election either before or afterward. Perhaps the leader of the official opposition could help on this. If there is any trouble about making a decision, perhaps some of us could consult together and make our leaders' recess meeting more effective than was the meeting to arrange some of our program before Christmas.

We have noted with much interest the remarks made by the minister. I believe they are constructive. To hear him speaking for Canada at large in this way gives us, particularly at this season, some hope that we can have peace in our world. Without going into any of the details of the matters he mentioned I note particularly his confidence, which I think is felt across the country, in what the United Nations has done. I also note his reference to disarmament, and I trust that Canada shall continue to play her important role in trying to lead to some settlement of this question. The objective that we had hoped might be reached before the end of the year has not been attained, nevertheless, as long as we are working constructively toward it and making some progress, there is hope. I was also interested in his remarks with regard to aid being given to Greece. I think this is an aspect of assistance that we in Canada have not yet fully exploited. Prevention is far better than cure, and here is one way in which we can put the tremendous potential which we have in Canada to some constructive use in avoiding that which I am sure none of us want.

So, Mr. Speaker, we would just say that we are pleased to hear the report of the minister about the progress which has been made. Again, I trust that we in this house will not shirk our own responsibilities in relation to defence, which we think of as being related to NATO; because certainly we cannot continue with the indefiniteness and ambiguity which so many Canadians feel we have toward this very important matter.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, we in this group would like to join all members of the house in saying how glad we are that the Secretary of State for External Affairs has returned safely from his visit to the NATO conference, and to say how interested we were in the statement he has just made. I was somewhat surprised when the minister said there were no complaints regarding the lack of consultation during the Cuban crisis, because I am sure that most people in Canada and throughout the western world were disturbed that unilateral action was taken without consulting the other members of NATO. When we realize that in a world situation such as ours no conflict could be limited to one area but would, in all probability, spread throughout the world, it seems to us imperative that there be consultation. It also seems idle to talk about improving the techniques of consultation. The techniques have been well established, and surely they are there. What is lacking is the will to use those techniques. When one considers the very serious situation in Berlin, which may flare up at any time, it seems to us imperative that there be some definite understanding that the fullest possible consultation will be held before any action is taken by any of the powers.

I should like to express our agreement with the statement of the minister regarding seizing the initiative at this time. It seems to us in this group that this is an excellent opportunity for the western powers to seize the initiative, not in a military sense but in a diplomatic sense, to promote the chances of extending disarmament and mutual understanding. This might be an excellent time to advance once again the idea of military disengagement in central Europe, and to do in Berlin and in central Europe what has already been done in Austria; that it might be possible to get both the east and the west to withdraw from certain areas and thus lessen the possibilities of tension.

Mr. Speaker, I would have been pleased if the minister had been able to tell us more

about this question of making NATO a nuclear power. The minister made some reference to the desirability of medium range missiles and the problems of control. I would have hoped that the Canadian government would have made some fairly positive statement in this regard. Before the minister left to attend the conference I asked him whether he could give an assurance that Canada would resist any attempt to make NATO a nuclear power, because I agree with the minister's statement that the deterrent on both sides is now so massive that the likelihood of a nuclear war has diminished. Canada can probably play its most effective role by supplying conventional weapons, and in our opinion we would lessen our moral authority by agreeing to NATO becoming a nuclear power.

Mr. Speaker, I think the statement made by the minister and the statements made by the leaders of the other political parties simply help us to point out the need for a debate on external affairs, or for a meeting of the external affairs committee, or for the setting up of a defence committee, so we can have an opportunity to debate and discuss some of the very important problems facing the human race and having to do with the survival of mankind.

[*Later:*]

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs arising out of the statement he made at the beginning of this afternoon's sitting. Were the actions of Portugal in her west African colonies discussed at the NATO meeting, and particularly the use there of equipment supplied under NATO?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, the foreign minister of Portugal made a statement dealing with the situation in Angola, but I think that was the extent of the discussion.

[*Later:*]

Mr. David Lewis (York South): Will the Secretary of State for External Affairs inform the house whether the resolution which was passed at the plenary session of the United Nations last Friday, in respect of Portugal's behaviour in its colonies, was discussed at the NATO council meeting? If so, were any plans made to implement the request that the sale and supply of arms and military equipment to the Portuguese government be stopped?

Mr. Green: Mr. Speaker, I happened to be sitting next to the foreign minister of Portugal at one of the dinners and we had quite a long discussion on this Angola subject. I might add that it is not as one sided as it sometimes looks from here.

In so far as the resolution is concerned, it contained a provision that would have meant none of the NATO countries could supply any arms to Portugal. Of course Portugal is a member of NATO. Canada, as a matter of fact, has not supplied any arms to Portugal for approximately two years but we could not support a resolution containing a provision of that kind in fairness to our other NATO partners, so Canada abstained on that resolution.

PRIVATE BILLS

REFERENCE OF DIVORCE BILLS TO STANDING ORDERS COMMITTEE

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, by unanimous consent I move:

That divorce Bills SD-28, an act for the relief of Marie Claire Roland Dubois, SD-36, an act for the relief of Hale Calvin Reid, SD-446, an act for the relief of Daisy Emily Dorothy Pearl Ryan, and SD-447, an act for the relief of Elizabeth Peck, be referred to the standing committee on standing orders, together with the reports of the examiner of petitions for private bills thereon tabled on Friday, November 16, and Friday, December 14, for any recommendation the committee deems advisable.

Mr. Pickersgill: Mr. Speaker, was unanimous consent given for this procedure?

Mr. McIlraith: It was not asked for.

Mr. Pickersgill: No, it was not asked for. The hon. gentleman just said "by unanimous consent".

Mr. Speaker: In so far as putting the "agreed" is concerned may I say that I was anticipating an indication one way or another if there should be dissent or consent. There seemed to be no dissent.

Mr. Pickersgill: I suggest that we follow the customary practice of asking the house whether there is unanimous consent in each of these cases.

Mr. Speaker: I thank the hon. member for drawing that matter to my attention. The motion should have been preceded by the request for uanimous consent. Is it agreed? Agreed.

Motion agreed to.

HEALTH AND WELFARE

PERSONNEL OF SPECIAL COMMITTEE ON DRUGS AND CHEMICAL FOOD CONTAMINATION

Mr. Theogene Ricard (St. Hyacinthe-Bagot) moved:

That the special committee on food and drugs appointed on December 7, 1962, be composed of

Questions

Messrs. Baldwin, Enns, Fairweather, Haidasz, Harley, Horner (Jasper-Edson), Marcoux, Martin (Essex East), McDonald (Hamilton South), Mitchell, Nicholson, Orlikow, Patterson, Rynard and Valade.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

FAIR VALUE FOR DUTY, FRUITS AND VEGETABLES

Question No. 1,018—**Mr. McNulty:**

1. To date, in 1962, what is the name or type of each fruit or vegetable respectively for which a request was made for a "fair value for duty"?

2. On which date was each request received, and the date "fair value for duty" implemented in each case respectively?

3. Was the request for "fair value for duty" in each case respectively received, prior to the season, during the season, at the height of the season, or at the end of the season?

4. Was implementation of "fair value for duty" in each case respectively made, prior to the season, during the season, at the height of the season, or at the end of the season?

5. In each case respectively, what reason or grounds did the person or body give for asking for "fair value for duty"?

6. On what grounds was the request refused or delayed?

Mr. Flemming (Victoria-Carleton): 1. (a) Frozen red pitted cherries; (b) Fresh prune plums; (c) Fresh potatoes.

2. (a) Request received May 1, 1962—not implemented; (b) Request received September 11, 1962—not implemented; (c) Request received September 11, 1962—implemented October 16, 1962.

3 and 4. Answered by 2.

5. (a) Low prices for frozen red pitted cherries prevailing in the country of export. As substantial stocks were on hand, due to the considerable carryover from the 1961 Canadian crop, importations in large quantities would cause serious consequences to the Canadian industry.

(b) Low prices of fresh prune plums in the U.S.A. Heavy imports would cause hardship to the B.C. fruit growers.

(c) Low prices of imported potatoes constituted threat to Canadian growers.

6. (a) and (b). Frozen red pitted cherries and fresh prune plums—following investigation it was determined that the circumstances did not warrant implementation of fixed values.

(c) Fresh potatoes—delayed only for the period required for investigation to determine whether the request warranted action.

[Mr. Ricard.]

CRAWLEY-MCCRAKEN COMPANY

Question No. 1,024—**Mr. Marcoux:**

Have there been any transactions between the Crawley-McCraken Company, the Canadian Prepack Company, and the Canadian National Railways and, if so, who are the directors of the Crawley-McCraken Company?

Mr. Halpenny: Yes, with Crawley-McCraken Company. Since Crawley-McCraken Company is not a federally incorporated company the identity of the directors is not known.

CANADIAN PREPACK COMPANY

Question No. 1,025—**Mr. Marcoux:**

Have there been any transactions between the Canadian Prepack Company and the Canadian National Railways and, if so, who are the directors of the Canadian Prepack Company?

Mr. Halpenny: There is no record of any transaction.

SONS OF FREEDOM, B.C.

Question No. 1,048—**Mr. Laing:**

1. Since October 1, 1962, has the Minister of Justice had any correspondence with the attorney general of British Columbia dealing with the Freedomite sect?

2. Has the attorney general of British Columbia formally sought any assistance of the government of Canada in dealing with the Freedomites since October 1, 1962?

3. How many Freedomites are now in prison, and what is the sum total of years of sentence imposed?

Mr. Bell (Saint John-Albert): 1. Yes.

2. No.

3. The number of Freedomites now in prison is 147. The sum total of years of sentence imposed is 887 years and 8 months.

BRUSSELS FAIR—CANADIAN TRADE COMMISSIONERS

Question No. 1,070—**Mr. Addison:**

What are the names of the two Canadian trade commissioners who manned the booth for six months at the Brussels world fair?

Mr. Nesbitt: The following trade commissioners were on duty at the Brussels world fair in 1958 on the dates specified:

B. I. Rankin, April 17-22; R. Campbell Smith, April 17-22; W. J. Millyard, April 21-26; W. R. Hickman, April 22-May 5; D. A. B. Marshall, April 29-May 5; S. G. Tregaskes, May 6-12; A. P. Bissonnet, May 13-26; G. H. Rochester, May 20-26; E. H. Maguire, May 27-June 2; H. Leslie Brown, June 3-9; W. Gibson-Smith, June 3-16; J. A. Stiles, June 17-23; J. C. Depocas, June 24-July 2; T. F. Harris, July 1-7; H. A. Gilbert, July 8-14; S. G. MacDonald, July 15-21; R. K. Thomson, July 22-28; A. W. Evans, July 29-August 4; J. H. Bailey, August 12-18; K. F. Osmond, August 19-25; W. J. Jenkins,

August 26-Sept. 1; R. Grew, Sept. 8-15; J. G. Ireland, Sept. 16-22; B. C. Butler, Sept. 23-29; M. T. Stewart, Sept. 30-October 6; B. Horth, October 7-15; J. M. T. Thomas, October 16-19.

Additionally, L. H. Ausman and J. R. Roy, trade commissioner and assistant trade commissioner respectively at Brussels during 1958, were in attendance on a semi-permanent basis from April 17 until October 19. K. G. Ramsay was on permanent duty from April 17 to July 11.

(Translation):

TRACADIE, N.B.—CARETAKER FOR PUBLIC BUILDING

Question No. 1,079—**Mr. Robichaud:**

1. Has a caretaker been appointed for the federal public building at Tracadie, New Brunswick, and, if so (a) was the appointment made following the calling of tenders, and (b) what were the names of the applicants and the amount submitted by each?

2. Were any of the applicants qualified for veterans' preference and, if so (a) was any consideration given for military service in making this appointment (b) what is the name of the person selected for this particular service (c) if selected after the calling of tenders, was the service awarded to the lowest tenderer and, if not, for what reason?

Mr. McCleave: 1. The caretaker's work at Tracadie will be done under contract;

(a) A contract was awarded following a call for tenders.

(b) The following tenders were received:

Alex F. Lavoie, $1,200 a year, (assistant postmaster); Reginald Basque, $1,200 a year, (postmaster); B. B. Losier, $1,400 a year; Edgar Landry, $1,800 a year; Arthur Savoie, $2,496 a year; Eutrope Basque, $2,850 a year.

2. Yes, although veterans' preference does not apply in the awarding of contracts of this type, unless there is more than one tender in the lowest amount.

(a) No.

(b) The contract was awarded to Mr. B. B. Losier, for the price tendered, i.e. $1,400 a year.

(c) No, because it is not department policy to award contracts to crown employees, unless it is impossible to do otherwise.

(Text):

MORTGAGE INSURANCE FUND, N.H.A.

Question No. 1,086—**Mr. Scott:**

Under the provisions of the National Housing Act, in each of the years ended December 31, 1958, 1959, 1960, and 1961 (a) what was the total amount of the mortgage insurance fund (b) in each province, what was the number of claims against the fund, and what was the aggregate amount of the claims (c) how many of the said claims were in respect of (i) single family dwellings (ii) apartment projects (iii) limited dividend projects (iv) low rental projects?

Mr. McCleave:

(a)

TOTAL ASSETS OF THE MORTGAGE INSURANCE FUND AS AT DECEMBER 31, 1958, 1959, 1960 AND 1961

1958	1959	1960	1961
$ 45,680,766	$ 61,081,653	$ 72,595,971	$ 86,768,574

(b)

NUMBER AND AMOUNT OF CLAIMS PAID OUT OF THE MORTGAGE INSURANCE FUND

	1958		1959		1960		1961		1958-1961	
Province	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
		$		$		$		$		$
Nfld.....	1	12,336.42	—	—	1	11,785.23	1	9,264.48	3	33,386.13
P.E.I.....	—	—	—	—	—	—	—	—	—	—
N.S.....	—	—	—	—	—	—	2	24,147.64	2	24,147.64
N.B.....	—	—	—	—	—	—	—	—	—	—
Que.....	1	10,760.79	8	79,345.01	35	353,516.64	66	691,687.58	110	1,135,310.02
Ont.....	3	30,088.76	17	184,325.00	81	905,238.65	684	7,290,212.85	785	8,409,865.26
Man.....	—	—	—	—	—	—	1	12,823.13	1	12,823.13
Sask.....	—	—	1	9,539.49	—	—	2	21,298.24	3	30,837.73
Alta.....	1	7,984.70	—	—	3	30,175.60	13	144,435.85	17	182,596.15
B.C.....	—	—	—	—	8	96,602.36	63	723,713.40	71	820,315.76
Canada.....	6	61,170.67	26	273,209.50	128	1,397,318.48	832	8,917,583.17	992	10,649,281.82

Questions

(c)

(i) Single family dwellings	990
Duplex dwellings	2
Total claims	992

(ii) Apartment projects—nil.

(iii) Limited dividend projects—nil. Limited dividend loans under section 16 of the National Housing Act are not covered by the mortgage insurance fund.

v) Low rental projects—nil. Low rental projects under section 36 of the National Housing Act are not financed by way of loans but by capital investment by the federal-provincial-municipal partnership. They are not covered by the mortgage insurance fund.

PUBLICATION OF TECHNICAL FORESTRY MEMORANDA

Question No. 1,089—**Mr. Laprise:**

On what dates were the following technical memoranda published (a) No. 18 entitled "Grading Hardwood Logs for Factory Lumber" (b) No. 34 entitled "How to Evaluate the Quality of Hardwood Logs for Factory"?

Mr. Flemming (Victoria-Carleton): (a) December 22, 1960.

(b) October 18, 1962.

DOWNSTREAM POWER BENEFITS, COLUMBIA RIVER TREATY

Question No. 1,101—**Mr. Davis:**

1. Did the Canadian government arrange for a competent engineering firm or firms to evaluate the amount of downstream power and flood control benefits created in the United States by the proposed Columbia river treaty project prior to the signing of the treaty?

2. What is the estimated amount of the downstream prime power benefits which are returnable to Canada under the present Columbia river treaty in the years 1970, 1980, 1990 and 2000?

3. What is the principal reason, or reasons, for any change in these annual benefits during the life of the Columbia river treaty?

Mr. Dinsdale: 1. A competent international group of engineers who had assisted in the preparation of the terms of the treaty evaluated the approximate downstream benefits obtainable under those terms. These engineers represented the following agencies:

Canadian Department of Northern Affairs and National Resources; Canadian section, international joint commission; British Columbia power commission; British Columbia department of lands, forests and water resources; United States corps of engineers; Bonneville power administration (United States department of the interior).

2. The treaty, in accordance with international joint commission power principle No. 4, does not call for the division of prime power benefits. However, Canada's share of the increase in average annual usable energy produced in the United States by Canadian storage is to be returned to Canada in equal amounts each month and is therefore a prime power resource to Canada. Estimates of quantities are available for the years 1972, 1985, and 2010 and are as indicated below: It has to be emphasized that these are estimates and may not occur to the extent indicated at the various dates.

Year	Prime Energy in Megawatt Years	Capacity in Megawatts	Available Load Factor
1972	768	1375	56%
1985	400	1230	33%
2010	210	0	—

These benefits are exclusive of downstream benefits generated at Canadian plants on the Kootenay river in Canada through storage operation at the Duncan lake and Libby dams.

3. During the initial years of the treaty period, Canadian storage will be called upon to provide three services:

(a) Release stored water over a critical streamflow period and thereby increase primary energy production at the United States generators (Canada's capacity credit is equal to one half of this primary energy benefit divided by the critical period load factor).

(b) Conserve water which existing United States generators could use to produce secondary energy, but for which no secondary energy markets are presently available. This water is then released at times when firm or secondary loads require it.

(c) Conserve water which would presently exceed the hydraulic capacity of existing United States generators and later release this water at times when the generating facilities could use it and when firm or secondary loads require it.

(Canadian energy credit is one half of the increase in usable energy developed by (b) and (c)).

By approximately the mid point of the treaty period it is expected that the thermal-electric component of the United States system will have developed to the point where all secondary energy generation at hydroelectric plants will be usable as thermal replacement energy (to conserve fuel at thermal plants). The regulation service outlined in section (b) above would, if this happened, no longer be necessary and Canada's energy

credit would reduce accordingly. Regulation to produce maximum primary energy would still be required and therefore no substantial change in Canada's capacity entitlement is expected.

Towards the end of the treaty period it is expected that the United States thermal-electric development will have increased to the point where the ultimate hydroelectric installations at the United States plants will be usable on the United States load without the assistance of primary energy from storage operation. Canada's capacity benefits would, if this happened, decrease to zero. At the same time the added facilities at the United States hydroelectric plants would be capable of producing more and more power from unregulated flows of the river and as a result the need for Canadian storage for average energy generation under (c) would also decrease. Once the maximum feasible number of hydroelectric units have been installed at United States plants (assumed for the year 2010), Canada's remaining energy benefits should remain relatively constant for the balance of the treaty period.

Whether or not the above mentioned set of conditions will ever occur cannot be known in advance. Therefore, the treaty is designed to measure benefits under any conditions that may actually occur in the future.

COLUMBIA RIVER TREATY—DIVISION OF POWER

Question No. 1,102—**Mr. Davis:**

Of the total amount of prime power created as a result of the construction of the Columbia river treaty projects in Canada, what proportion is returnable to Canada, and how much is estimated as remaining in the United States in the year 1970?

Mr. Dinsdale: The following table sets forth the increase of both primary and average annual energy benefits from the treaty for estimated load conditions in the period 1970-72 (all data expressed in megawatt years):

	Primary Energy	+ Saleable Secondary Energy(*)	— Total Usable Energy (Primary + Saleable Secondary)
U.S. system with Canadian storage:	9063	939	10,002
U.S. system without Canadian storage:	6861	1606	8,467

The increment of primary energy after the introduction of Canadian storage is thus 2202 MW years, of which 667 are the firming up of saleable secondary energy already available in the U.S. The increment in average annual usable energy (which is the product to be divided in accordance with I.J.C. power principle No. 4 and under annex B paragraph 1 of the treaty) is thus 2202–667=1535 MW years. Canada would receive 50 per cent of this gain, or 768 MW years of energy.

* Assumes the Hanford atomic energy works operating as a single purpose development for the production of thermal-electric energy and therefore providing a substantial thermal replacement market for secondary hydroelectric energy. With this plant operating as a dual purpose project (plutonium and thermal energy production) it would operate continuously and therefore not provide a secondary energy market. Under this latter condition Canada's energy benefits are presently estimated to be 820 megawatt years rather than the 768 megawatt years indicated in the table.

REVENUE OF BANDS, MIRAMICHI INDIAN AGENCY, N.B.

Question No. 1,112—**Mr. McWilliam:**

What revenues have been derived by each of the Indian bands of the Miramichi Indian agency at Red Bank, Eel Grounds, and Burnt Church on the sale of gravel, sand, logs, pulpwood, and Christmas trees, and for any other revenue producing transactions, for each year from 1955 to 1961 inclusive?

Mr. McGee:

Red Bank	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62
Timber dues	613.38	1210.16	782.53	826.16	1668.35	1637.20	414.63
Gravel and sand	97.34	329.20	——	30.46	100.00	46.90	100.00
Gov.t int.	715.37	697.37	689.14	724.98	758.57	812.49	695.84
Fishing rights	——	37.50	——	——	——	——	——
Rentals	——	25.00	62.50	62.50	37.50	——	——

Questions

Eel Ground	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62
Timber dues	279.44	494.91	659.14	119.27	522.95	500.97	197.04
Rentals	125.00	25.00	612.00	62.50	37.50	175.00	——
Gov.t int.	236.39	264.74	285.20	296.20	287.58	292.04	264.36
Gravel dues	——	——	60.95	304.50	——	14.00	867.65
Burnt Church							
Rentals	100.00	100.00	100.00	100.00	100.00	100.00	——
Gov.t int.	124.09	111.95	120.27	127.53	128.73	138.55	141.45

BALSAM WOOLLY APHID—FORESTRY THREAT

Question No. 1,115—**Mr. Fairweather:**

1. Does the balsam woolly aphid pose a serious economic threat in Canada?

2. What is the Department of Forestry doing to reduce the effects of this insect in eastern Canada, especially in Newfoundland?

Mr. Flemming (Victoria-Carleton): 1. The balsam woolly aphid is a foreign pest that reached the maritime provinces several decades ago and Newfoundland in the late 1940's. It is also well known in northeast and northwest United States and was found in southwest British Columbia in 1958. In the maritimes, the distribution and population level of the balsam woolly aphid have been static in recent years; unusually cold winters are a major controlling factor. However, a great deal of tree mortality has occurred over the past 30 years and normal stand development has been prevented or delayed over wide areas. In Newfoundland, outbreaks near St. John's on the Burin peninsula, and particularly along the southwest coast are causing considerable tree mortality and deterioration. Recently the aphid was found in central Newfoundland and intensive surveys are establishing just how widespread it is. In British Columbia, the outbreak is still restricted to an area in the lower Fraser river valley but many thousands of trees have been killed or defoliated. The balsam woolly aphid is unquestionably a serious forest pest and the Department of Forestry is studying biological, chemical, and silvicultural methods of control.

2. The Department of Forestry has long been interested in the balsam woolly aphid problem in eastern Canada. The biology and habits of the insect are reasonably well understood and the distribution and status of the pest are under continuous surveillance. The results are regularly communicated to provincial authorities and interested industries in publications and reports. A concerted ground and aerial survey was organized in 1962 in central Newfoundland where the aphid was first observed in 1961.

The cryptic habits of the insect make control with conventional chemicals difficult except on individual trees. However, recently developed systemic insecticides offer some hope of controlling the aphid with aerial sprays. Their effectiveness is being tested in carefully devised laboratory experiments and small scale field trials may be conducted in Newfoundland next year.

Past efforts have been directed mainly toward biological and silvicultural controls. Potential predators are being studied in several countries and a number of species have been released in Canada with modest success. At least four are now established in the maritime provinces and Newfoundland but the degree of control is not yet satisfactory. This program is continuing with the major emphasis in Newfoundand in the hope that better predators will be found or that the present efforts become more effective with the passage of time, as often happens in biological control programs. Research is in progress on means of converting forest stands to a high proportion of non-susceptible species by controlled burning, by reducing natural fir reproduction, or by planting exotic tree species.

In summary, the Department of Forestry is exploring all reasonable prospects for controlling the balsam woolly aphid as actively as possible.

NEWFOUNDLAND OVERSEAS FORESTRY UNIT—INCLUSION UNDER VETERANS CHARTER

Question No. 1,118—**Mr. Douglas:**

Has the Minister of Veterans Affairs received representations from the chairman of the Placentia branch of the Newfoundland overseas forestry unit concerning this unit's inclusion under the veterans charter and, if so, what answer has been given?

Mr. Churchill: The Minister of Veterans Affairs has received such representations and the following answer has been given:

When the Civilian War Pensions and Allowances Act was amended last year, the Canadian government recognized that the Newfoundland foresters, along with a number of other groups, had aided materially in the war effort.

A comparison has been made between the services of the forestry unit and those of the Newfoundland forestry unit of world war I, which formed part of the imperial forces, and the Canadian forestry corps of world war II, which was a corps within the Canadian army.

These latter units formed part of the armed forces and were subject to military discipline in all respects. However, members of the Newfoundland forestry unit of world war II were not recognized by the Newfoundland commission of government as members of the forces, and they served as civilians under contracts willingly entered into with specified rates of pay, length of service, etc.

With regard to the restriction contained in part XI of the Civilian War Pensions and Allowances Act concerning the length of contract entered into, I am pleased to advise you that the war veterans allowance board, after securing legal opinion, has been able to modify its ruling in favour of those foresters who, although they did not sign contracts for the duration, actually served until the end of world war II and received discharge certificates dated after May 8, 1945.

The basic definition of a "veteran" is a former member of H.M. armed forces and consequently cannot apply to former members of the Newfoundland forestry unit of world war II or to the other civilian groups covered under the Civilian War Pensions and Allowances Act.

STUDY OF AIR POLLUTION

Question No. 1,123—**Mr. Mather:**

Is the government giving consideration to the advisability of an examination of the problem of air pollution so that steps may be taken to protect Canadians against the detrimental effects of same?

Mrs. Casselman: During the past four years the Department of National Health and Welfare has been developing a national air sampling network in co-operation with the provinces and large municipalities for the purpose of measuring levels of air pollution and determining the influence of community sources on diurnal and seasonal factors. Advisory, consultant and laboratory services are being supplied, as requested, to provincial health departments and municipalities in the organization of air pollution surveys, the assessment of control measures and the analysis of samples.

In addition research in a number of universities is being assisted under the national health grants. Research is also being carried on in the laboratories of the department to develop better methods of determining the small amounts of pollutants found in the air and studying their effects on health.

To supplement this program, close contact is being maintained with all other countries having advanced programs in this field.

Questions

RESEARCH PROGRAM IN PHYSICAL FITNESS, U.B.C.

Question No. 1,129—**Mr. Mather:**

Has the Department of National Health and Welfare received any requests from the British Columbia division of the Canadian Medical Association to assist in the establishment, at the University of British Columbia, of a research program in physical fitness?

Mrs. Casselman: A letter was received on November 9 from the executive director of the British Columbia division of the Canadian Medical Association, in support of an application which he understood would be made by the University of British Columbia for a research grant for 1963-64. No formal application has been received from the University of British Columbia.

*AIR TRANSPORT REPORT BY STEPHEN WHEATCROFT

Question No. 1,130—**Mr. Chevrier:**

1. When was Mr. Stephen Wheatcroft engaged to make a study for the Minister of Transport of the desirability and economic consequences of competition in Canadian transcontinental air services?
2. How long did it take to prepare his report and when was it made?
3. What was the total cost to the government of this report by fees paid, travel expenses, secretarial and stenographic assistance, and miscellaneous?

Mr. McBain: 1. February 4, 1958.

2. (a) Four months; (b) May 30, 1958.

3. $7,971, as follows: Retainer, $3,500; travel expenses, $1,686; living allowance, $2,375; secretarial, stenographic and miscellaneous, $60; printing and distribution of the report, $350.

MARITIME COMMISSION VESSEL CONSTRUCTION, N.B. AND N.S.

Question No. 1,138—**Mr. Fairweather:**

Have any vessels been assigned to shipbuilding facilities in New Brunswick and Nova Scotia by the maritime commission under the recent subsidy program and, if so, (a) where are the shipyards located (b) what is the total amount of money paid or authorized under the subsidy program in each location in New Brunswick and Nova Scotia?

Mr. McBain: Vessels being built under the ship construction subsidy plan are not assigned to shipbuilding plants by the Canadian maritime commission but are built in yards of the owner's selection. Up to the present subsidy agreements amounting to $2,397,261.10 have been signed in respect of four ships at Bathurst and Saint John in New Brunswick, and in respect of 16 ships, amounting to $2,052,458.17, at Day Spring, Lunenburg, Meteghan River and Shelburne in Nova Scotia.

Questions

REGULATION OF SALE OF ELECTRICAL APPLIANCES

Question No. 1,142—**Mr. Tucker:**

Does the government intend, in the interest of public safety, to regulate sales of electrical equipment and appliances not certified for safety requirements?

Mr. Nesbitt: The certification of electrical equipment and appliances for safety requirements, and the regulation of sales are responsibilities of the respective provinces.

CANADIAN MILITARY COMMITMENTS

Question No. 1,143—**Mr. Wahn:**

Is Canada committed in any way to any other country or countries to take any military action or to provide armed forces and, if so, by what convention or other means has each such commitment been created?

Mr. Green: As a signatory to the North Atlantic treaty, Canada has agreed in article 5 that an armed attack against one of the members of the alliance in Europe or North America constitutes an attack against them all, and has undertaken to assist the party or parties attacked "by taking forthwith, individually and in concert with the other parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the north Atlantic area".

The Canada-United States region is an integral part of the north Atlantic area. The air defence of the region is provided for in the NORAD agreement under which a Canada-United States integrated command was established and to which both countries contribute air defence forces.

By virtue of article 43 of the United Nations charter, Canada has undertaken to make available to the security council such assistance, including armed forces, as may be necessary for the purpose of maintaining international peace and security.

UNIVERSITY AVENUE ARMOURIES, TORONTO

Question No. 1,144—**Mr. Wahn:**

1. Who owns the property known as the University avenue armouries in Toronto?

2. Have any of the reserve regiments using these armouries requested that other armouries be provided for their use?

3. Has any decision been made to discontinue the use of the University avenue armouries and, if so, (a) what are the reasons for this decision (b) what are the locations of the armouries which will replace the University avenue armouries (c) what is the total estimated cost of replacing the University avenue armouries by such other armouries?

Mr. Sevigny: 1. The property is owned by Her Majesty the Queen in right of Canada and is under the administration and control of the Department of National Defence.

2. No.

[Mr. McBain.]

3. Yes. (a) In 1958, an agreement was made with the municipality of metropolitan Toronto to sell this property to it for the sum of $2,000,000 for a new court house to accommodate the courts and administrative offices of the supreme court of Ontario, the county court of the county of York, and courtroom facilities for the Exchequer Court of Canada and the board of transport commissioners.

(b) and (c) An armoury has been constructed in the township of North York, adjacent to and immediately south of Downsview airport at a cost of $989,867. This provides approximately one third of the replacement accommodation required. The site or sites of the remaining accommodation have not been finally settled. The estimated costs of such accommodation will depend on the location and whether one large or two smaller armouries are built.

PENITENTIARIES, INMATES AND STAFF

Question No. 1,153—**Mr. Orlikow:**

1. What is the total number of inmates in federal penitentiaries as of the last date for which the annual report was prepared?

2. What is the total staff employed in these penitentiaries and, of these, how many are guards, teachers, psychologists, psychiatrists, etc.?

3. What qualifications are required for the professional staff?

4. What are the minimum qualifications for guards employed in penitentiaries?

5. Is there a compulsory training course for people hired as guards and, if so, what type of course, and how long does it take to complete this course?

6. How many penitentiaries are there in Canada?

Mr. Bell (Saint John-Albert): 1. 7,039.

2. Total staff establishment for the federal penitentiaries is 2,953 comprised as follows:

Custodial	1,488
Teachers	43
Vocational training instructors	68
Psychologists	19
Psychiatrists	8
Physicians	11
Dentists	8
Chaplains	19
Hospital staff	99
Farm staff	19
Service and maintenance officers	631
Industrial instructors	135
Administrative and clerical officers	405
Total	2,953

3. The professional staff are required to be graduates from universities of recognized standing with specialization in their own particular field. Teachers are required to be graduates of a recognized high school and have had normal school training with a teacher's certificate for the province concerned and some practical teaching experience.

4. The minimum qualifications for guards in the penitentiaries are at least grade X education or equivalent, age 23 to 40 years, satisfactory physical condition, at least 5'8" in height, additional credits for military or police experience.

5. Every person hired as a guard in the Canadian penitentiary service must undergo probationary training, which begins at the initial appointment and continues to the end of the probationary period (6 months under penitentiary service regulation 1.36), before he is considered for permanent employment. This probationary training includes an initial orientation program and an induction training program of formal and on the job training. This probationary training is conducted at every institution.

6. 25.

FEDERAL RESPONSIBILITY FOR PRISONERS SENTENCED TO ONE YEAR OR MORE

Question No. 1,155—**Mr. Orlikow:**

Has the government yet decided when they will implement the recommendations of the Fauteux committee, that the federal government assume the responsibility for prisoners sentenced to one year or more?

Mr. Bell (Saint John-Albert): No.

PORT DE GRAVE, NFLD. BREAKWATER

Question No. 1,156—**Mr. Tucker:**

Has the government decided to construct a breakwater at Hibb's cove, Port de Grave, Newfoundland and, if so, when will work commence?

Mr. McCleave: No, not at the present time.

INSTALLATION OF SIMULTANEOUS TRANSLATION EQUIPMENT

Question No. 1,157—**Mr. Dumont:**

1. What time was required to instal the simultaneous translation equipment for the second world conference on adult education held in Montreal during August, 1960, and what was the cost of such installation?

2. What time was required to instal the simultaneous translation equipment for the world meteorology conference held in Toronto during July, 1962, and what was the cost of such installation?

3. Aside from the North American forestry commission meeting scheduled for June, 1963, will the simultaneous translation system owned by the Department of National Defence be used again?

4. Would it be feasible to instal such a system in a suitable room for use by parliamentary committees and, if so, how long would it take to complete such an installation and what cost?

Mr. Sevigny: 1. Three days were required to instal the equipment at a cost of $795.

2. Three days were required to instal the equipment at a cost of $829.79.

In both instances these costs covered living expenses for technicians and transportation of equipment only. No charge was included for the use of equipment nor were the salaries of the technicians included.

3. To the present date, this simultaneous translation equipment is committed for use as follows:

(a) North American forestry commission at the N.R.C. building on Montreal road, Ottawa, from 24 to 27 June '63.

(b) Defence research board conference at St. Jean, P.Q. during first week of July, 1963.

(c) Dominion bureau of statistics for the 34th session of the international statistical institute at Carleton University, Ottawa, 20-29 August, 1963.

4. The simultaneous translation equipment owned by the Department of National Defence consists of heavy equipment connected by cables and is not suitable for permanent installation in rooms with movable furniture. The cables would have to be fixed to the floor which is most undesirable. The equipment is designed for large conferences with up to 400 persons using it. It is far too big and unnecessarily complex for a conference of 50 to 60 people only. The equipment is capable of handling four languages simultaneously. Much simpler equipment would serve for two languages only.

DOMINION BUREAU OF STATISTICS, MONTREAL—EMPLOYEES LAID OFF

Question No. 1,158—**Mr. Lachance:**

1. Since June, 1962, have any casual employees been laid off by the dominion bureau of statistics in Montreal as part of the government's austerity program and, if so, what are their names?

2. Does the government intend to re-employ those persons when the austerity measures are removed?

Mr. Nesbitt: 1. The services of the following casual employees who were hired from time to time on an hourly basis in the Montreal regional office of the dominion bureau of statistics have not been employed since the date indicated:

Bayard, M. A., August 2, 1962; Bourgeois, S., August 7, 1962; Pinsonneault, B., August 1, 1962; Garardi, E., August 31, 1962.

These are the only casual employees whose services have been terminated as a result of the limitation of funds available. All of these employees were casual clerks employed in the Montreal regional office.

2. Cannot be determined. Decision would depend on the volume of work requiring temporary assistance.

DOMINION BUREAU OF STATISTICS, MONTREAL—CASUAL EMPLOYEES

Question No. 1,159—**Mr. Lachance:**

Since June 1962, have any new casual employees been taken on by the dominion bureau of statistics in Montreal and, if so, what are their names and what are the duties of each?

Mr. Nesbitt: Yes. The following casual employees were hired in Montreal for varying periods since June 1, 1962, by the Montreal regional office of the dominion bureau of statistics:

Amadori, I., Arbique, M., Barrot, A., Bazinet, G., Beaudry, C., Bellavance, B., Bleau, G., Bergeon, M., Bourgue, F., Cofsky, G., Dagenais, P., Dupont-Hebert, J., Gaoust, G., Gerardi, H., Hebert, G., Kemp, J., Labrie, M., Lamarche, J., Landry J. B., Laurencelle, A., Lavigne, T., Merizzi, J. C., Payette, J., Paquin, P., Prevost, M., Quinn, M., Samson, S., Thibeault, G., Thibeault, J., Vannelli, I.

The duties of all but two of these employees were to interview households assigned to them in order to obtain information relating to employment and unemployment of the members of the households. These enumerators usually work from 3 to 5 days in each month. The duties of the other two employees were to interview business establishments and to obtain reports concerning their operations.

(Translation):

RIVIERE DU LOUP, QUE.—CONSTRUCTION OF WHARF

Question No. 1,162—**Mr. Gagnon:**

Did the Minister of Public Works receive a delegation or petition from Riviere du Loup on the subject of the la Pointe quay and, if so, has a decision been made to begin work in the spring of 1963?

Mr. McCleave: Yes. This project is still under consideration and we hope to undertake it in 1963. However, nothing has been decided as yet.

(Text):

MIRAMICHI INDIAN AGENCY, N.B.—BAND FUNDS

Question No. 1,167—**Mr. McWilliam:**

What are the present amounts of the funds held by each of the Eel Ground band and the Burnt Church band of the Miramichi Indian agency, New Brunswick?

Mr. McGee: Eel Ground band: Capital, $5,208.84; revenue, $99.29. Burnt Church band: Capital, $2,076.99; revenue, $2,832.13.

TRADE COMMISSION OFFICES, EUROPE AND CANADA

Question No. 1,171—**Mr. Badanai:**

1. In what countries of Europe has Canada established commercial or trade commission offices, and how many in each country?

2. Have European countries established commercial or trade commission offices in Canada and, if so, which countries, and how many offices?

Mr. Nesbitt: 1. The Department of Trade and Commerce has trade commissioners stationed in the following countries and cities in Europe:

Austria, Vienna; Belgium, Brussels; Britain, London, Liverpool, Glasgow; Denmark, Copenhagen; France, Paris; Germany, Bonn, Duesseldorf, Hamburg; Greece, Athens; Ireland, Dublin; Italy, Rome; Netherlands, The Hague; Norway, Oslo; Portugal, Lisbon; Spain, Madrid; Sweden, Stockholm; Switzerland, Berne; Union of Soviet Socialist Republics, Moscow.

2. The latest edition of "Canadian Representatives Abroad and Representatives of Other Countries in Canada" lists the following European countries as having commercial representatives or trade commissioners in Canada in the cities indicated:

Britain: Ottawa, Edmonton, Halifax, Montreal, Regina, Toronto, Vancouver, Winnipeg; Czechoslovakia: Montreal; Denmark: Montreal,; France: Ottawa, Montreal, Toronto; Germany: Ottawa, Montreal, Toronto; Italy: Ottawa, Montreal, Toronto, Vancouver; Netherlands: Ottawa; Poland: Ottawa; Spain: Ottawa; Sweden: Toronto, Vancouver; Union of Soviet Socialist Republics: Ottawa.

CANADIAN CENTENNIAL—MUNICIPAL PROSPECTS

Question No. 1,172—**Mr. Badanai:**

1. How many municipal centennial projects, such as parks, concert halls, civic buildings and other community facilities of a significant and lasting nature, have been approved or undertaken since the government's announcement in September 1961?

2. What is the location of each, and the amount of federal assistance involved in each?

Mr. Ricard: 1. Nil.

2. Not applicable.

R.C.M.P. CONTRIBUTIONS TO COMMUNIST PARTY

Question No. 1,175—**Mr. Fisher:**

Did the R.C.M.P. provide funds to the communist party of Canada through (a) membership, and (b) contributions, during each of the last five years and, if so, what was the amount in each of the said years?

Mr. Bell (Saint John-Albert): I have to advise the hon. gentleman that it is considered contrary to the public interest to give specific answers to his questions.

U.S. MARKET VALUE FOR DUTY

Question No. 1,178—**Mr. Clunis:**

Is the Minister of Trade and Commerce aware that the application of the "fair market value for duty purposes" clause in American import tariff legislation is injuriously affecting many Canadian exporters and, if so, will the government take immediate steps to assist the adversely affected Canadian exporters?

Mr. Nesbitt: 1. As hon. members will be aware, there has been improvement in recent years in U.S. valuation law and practice. In 1958 the U.S. moved to accept freely offered export prices as the basis for duty over a broad area of trade. Unfortunately, however, anomalies remain, inasmuch as some goods are still subject to what are, in effect, penalty values. The Canadian government is very conscious of the effect this situation has on

many Canadian exporters, and has placed its views on the matter before the U.S. authorities. As for the particular valuation problems being encountered by individual Canadian firms, my department is always anxious to learn of them and to do what it can to help resolve them.

TELEVISION RECEPTION, ST. LAWRENCE NORTH SHORE

Question No. 1,180—**Mr. Maltais:**

1. Is the board of broadcast governors aware that television reception is very poor and often non-existent in localities situated on the north shore of the St. Lawrence from Sept Iles to Blanc Sablon?
2. Has the B.B.G. taken any steps, or does it intend to take steps, to improve this situation?
3. Has the B.B.G. received an application for permission to instal a television station at Sept Iles in Saguenay county?

Mr. Halpenny: 1. Yes. The board's advice is that there is reasonably good television reception in Sept Iles and for a short distance east along the coast. As the distance from Sept Iles to Blanc Sablon is about 400 miles most of this sparsely settled coastal area has no adequate television service.

2. The initiative for the establishment or improvement of broadcasting service rests in the first instance with licencees or applicants for licences. However, the board did recommend for approval an application for a change of facilities of the television station at Matane, P.Q., which provides service to the Sept Iles area.

3. Yes. The board received such an application and recommended it for denial following a public hearing in August 1961 giving the following reasons:

"In its announcement of March 3, 1961, the board recommended for approval an increase in power of station CKBL-TV, Matane, and is now recommending the establishment of a new AM radio station in Sept Iles. In view of the extension of service to be provided by these facilities, the board is not prepared at this time to recommend an additional rebroadcasting service from Rimouski, P.Q."

INTEREST PAID ON NATIONAL DEBT

Question No. 1,181—**Mr. Mather:**

1. What was the amount of interest paid on the national debt in the fiscal year 1961-62?
2. What was the amount of interest paid on the national debt in the period 1952-1962?

Mr. Nesbitt: 1. The amount of interest paid on the public debt* in the fiscal year ended March 31, 1962 was $802,919,207.

2. The amount of interest paid on the public debt* in the period fiscal years 1952-1962 (11 years), inclusive was $6,291,589,344.

*Public debt consists of unmatured debt (bonds and treasury bills) and other liabilities (deposit and trust accounts; annuity, insurance and pension accounts; and miscellaneous).

Source: Public accounts of Canada for the fiscal years ended March 31, 1952 to 1961, inclusive, Part I, appendix No. 5 in 1951-52 and appendix No. 6 in 1952-53 to 1960-61, and the financial statements for 1961-62 appearing in the Canada Gazette.

INDUSTRIAL DEVELOPMENT BANK—BOARD OF DIRECTORS

Question No. 1,197—**Mr. Cote:**

1. How many members are there on the board of directors of the industrial development bank?
2. How many of these directors are French Canadians?
3. How many of the 13 top officials of the I.D.B. in the office of the general manager in Montreal are French Canadians?

Mr. Grafftey: 1. 16.

2. 2.

3. 1.

(See industrial development bank report for 1962, pages 20 and 21.)

INVESTIGATION INTO QUEBEC FISHERMEN'S COSTS AND REVENUES

Question No. 1,207—**Mr. Sauve:**

Have the investigations and other specialized studies regarding the Quebec fishermen's costs and revenue, as mentioned on page 10 of the 15th report of the fisheries prices support board, been completed for Iles-de-la-Madeleine constituency?

Mr. McPhillips: Records kept by fishermen for the year 1962 are now being completed in the field. These will be summarized and available for distribution about April 1, 1963.

MAGDALEN ISLANDS—FISHING BY FOREIGN BOATS

Question No. 1,208—**Mr. Sauve:**

Has the government taken the appropriate measures to enforce the law concerning use of territorial waters by foreign boats doing fishing operations near the Magdalen islands and, if so, (a) what departments are responsible for such enforcement (b) how many ships and planes are at the disposal of such service?

Mr. McPhillips: Yes. (a) The Department of Fisheries of Canada in co-operation with the department of game and fisheries of the province of Quebec which, by agreement, is responsible for the enforcement of fisheries laws within that province; (b) (1) Quebec department of game and fisheries—1 patrol vessel; (2) Department of Fisheries of Canada—3 patrol vessels; aircraft chartered as required.

Orders for Returns

SEAL FISHING, GULF OF ST. LAWRENCE

Question No. 1,210—**Mr. Sauve:**

Does the government intend (a) to control harbour seal fishing in the gulf of St. Lawrence and (b) to propose an international agreement in order to protect the species which intensive fishing threatens to render extinct?

Mr. McPhillips: Assuming that this question was meant to refer to harp seals rather than harbour seals, on the basis of the reference to intensive fishing and the need for international agreement, the answers to the question are as follows:

(a) Yes. Regulations designed to control harp seal fishing in the gulf of St. Lawrence during the coming season are being developed and will be announced in due course.

(b) A Canadian proposal to bring the conservation of harp and hood seals found in international waters off the Atlantic coast of Canada under the provisions of the international commission for the northwest Atlantic fisheries received unanimous approval at a meeting of the international commission for the northwest Atlantic fisheries held in Washington, D.C., early in 1961. Although most of the member governments have indicated their intent to sign the new sealing protocol to the convention, there are still two or three countries which have not done so and final ratification of the protocol must await an expression of intent from these countries.

QUESTIONS PASSED AS ORDERS FOR RETURNS

SUBSIDIZATION OF BOOKS BY P. A. TAVERNER

Question No. 963—**Mr. Howard:**

1. Has the federal government, directly or indirectly, subsidized the production of any books or works by P. A. Taverner with special reference to "Birds of Canada", and, if so, how much money was contributed, by whom, in what years, and to whom, for the production of each such book?
2. How many copies of each were printed, and are the books still being printed?
3. What has been the demand for these books?
4. Is there any intention to resume the printing and production of these books?

Mr. Halpenny: Return tabled.

*FRENCH EDITIONS OF GOVERNMENT PUBLICATIONS

Question No. 1,061—**Mr. Cote:**

Are the following publications available in both of the official languages of Canada and, if not, is the government giving consideration to their printing in the French language: "Statistical summary supplement Bank of Canada"; "The Canadian Balance of International Payments 1960"; "International Investment Position"; "Quarterly Estimates of the Canadian Balance of International Payments"?

Mr. Halpenny: Return tabled.

[Mr. McPhillips.]

ST. LAWRENCE SEAWAY CHANNEL, WOLFE ISLAND

Question No. 1,111—**Mr. Benson:**

1. What was the total cost of dredging in the Canadian channel of the St. Lawrence seaway at the foot of Wolfe island during the past two years?
2. To what company was the contract given for this dredging?
3. Is the contract now entirely completed?
4. What is the ordinary depth of the St. Lawrence seaway channel?
5. To what depth was the Canadian channel dredged at the foot of Wolfe island?
6. Did the Minister of Transport issue instructions that only ships proceeding to Kingston were to use the Canadian channel when passing Wolfe island?
7. How many ships, other than pleasure craft, proceeded to Kingston harbour upstream through the Canadian channel during the 1962 navigation season?
8. How many ships, other than pleasure craft, proceeded downstream through the Canadian channel during the 1962 navigation season?

FORESTRY DEPARTMENT RESEARCH

Question No. 1,116—**Mr. Dube:**

1. Since its creation, what amount has the forestry department spent for research?
2. What research projects have been undertaken?
3. What action has been taken as a result of such research projects?

COLUMBIA RIVER TREATY—SALE OF POWER BEFORE RATIFICATION

Question No. 1,127—**Mr. Davis:**

Does the Columbia river treaty, as it now stands, permit Canada to finalize a price for the sale of surplus power prior to the ratification of this treaty by Canada?

REVENUE, EXPENDITURES AND VISITORS, NATIONAL PARKS

Question No. 1,137—**Mr. Whelan:**

What were the operating and capital expenditures and revenue for each of the following national parks, and number of visitors for each of the following years, 1957, 1958, 1959, 1960, 1961, 1962 to date: Banff, Cape Breton, Elk Island, Fundy, Georgian Bay islands, Jasper, Kootenay, Mt. Revelstoke and Glacier, Point Pelee, Prince Albert, Prince Edward Island, Riding Mountain, St. Lawrence islands, Terra Nova, Waterton lakes, Yoho?

Mr. Dinsdale: Return tabled.

*SUPERNUMERARY EMPLOYEES, UNEMPLOYMENT INSURANCE COMMISSION

Question No. 1,140—**Mr. Deschatelets:**

1. How many supernumerary employees are at present on the staff of the various offices of the unemployment insurance commission?
2. How many persons male and female are now employed as supernumeraries?
3. How many hours do they work each day?
4. What is their hourly rate of pay?
5. Is any increase in pay for this particular class of employee contemplated in the near future?

Mr. Starr: Return tabled.

*VOCATIONAL TRAINING ASSISTANCE, QUEBEC

Question No. 1,163—**Mr. Beaule:**

1. Has the federal government made any contribution, under the assistance act for technical and professional training, to apprenticeship centres under the department of works of the province of Quebec?

2. If so, what sums have been paid and for what particular projects, for (a) construction of centres (b) equipping of centres (c) help to apprentices (d) training of monitors and teachers, and (e) training of the unemployed?

3. If not, has the federal government received requests about this from the provincial authorities in Quebec, and what has been the reply of the federal government?

Mr. Starr: Return tabled.

EXTERNAL AFFAIRS

VISIT BY PRIME MINISTER TO U.S. PRESIDENT

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Prime Minister whether he has any plans to visit the President of the United States on his return from his visit to Prime Minister Macmillan?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, not at the moment.

FINANCE

REQUEST FOR REMOVAL OF SURCHARGES ON U.K. AND EUROPEAN CARS

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I should like to direct a question to the Minister of National Revenue. Will the minister consider immediate removal of the tariff surcharges on British and European automobiles, which have been so disastrous both to the trade and to the dealers in this country?

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I should like to ask a supplementary question to that asked by the hon. member for Kootenay East. Has the minister received any representations from the trade pointing out the serious losses they are suffering under the present circumstances in respect of these surcharges?

Mr. Lewis: I have a supplementary question for the Secretary of State for External Affairs.

Mr. Byrne: A supplementary question to the Minister of National Revenue. Would the Minister of National Revenue—

Mr. Speaker: Order.

Mr. Byrne: —please put on a hearing aid?

Inquiries of the Ministry

Mr. Speaker: Order. If the minister has not answered I have some difficulty in seeing how there can be a supplementary question. There may be a related question later on.

Hon. H. J. Flemming (Minister of National Revenue): Mr. Speaker, I do not carry around with me the information contained in every letter I have received since June 24. I would be glad to get the information and supply it but I certainly cannot do so now.

(Translation):

AIR TRANSPORT

BAGOTVILLE, QUE.—APPARENT DUPLICATION OF INQUIRIES INTO ACCIDENT

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I would like to direct a question to the Associate Minister of National Defence.

Is the minister acquainted with the statement in which the Canadian Association of Air Pilots complained that he made a statement in the house on the causes of the recent accident at Bagotville without having first become acquainted with the investigation made by the Department of Transport? Has he any comment to make on that?

Mr. Speaker: I am extremely sorry but the hon. member is putting his question in a way that invites the minister to engage in a controversy with individuals or an organization outside this chamber. It may be that his question is in order but he will have to reword it.

Mr. Chevrier: My reason for asking this question is that there seems to be duplication between those two departments. I will therefore rephrase my question.

As I stated a moment ago, did the minister make that statement in the house without first inquiring about the decision taken by the Department of Transport?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, I made a statement to the house concerning the accident without reading the request submitted by the pilots. Indeed, I was unaware of the existence of that request. Neither did I read the article mentioned by the hon. member for Laurier, but I will read it and report to the house.

[*Later:*]

(Text):

Mr. Charles M. Drury (St. Antoine-Westmount): I should like to direct a question to the Minister of Transport in relation to the airplane accident between a Viscount and an

R.C.A.F. aircraft at Bagotville. Has the minister been provided with a report on the accident by his department, and if so does it correspond with the statement made by the Associate Minister of National Defence in the house a few days ago?

Hon. Leon Balcer (Minister of Transport): So far as the report made by my colleague the Associate Minister of National Defence is concerned, a copy of this report was sent to me prior to the time it was made in the house. In so far as the investigation of the Department of Transport is concerned, it has not been completed as yet. I have not received this report.

(Translation):

BUSINESS OF THE HOUSE

REQUEST FOR REPLY TO QUESTION ON ORDER PAPER

On the orders of the day:

Mr. Prosper Boulanger (Mercier): I should like to put a question to the Minister of Transport.

Could the minister tell me whether I may expect an answer to my question No. 1,108 before December 20, 1962, since I have to prepare a talk for an organization of Montreal and Three Rivers businessmen?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, my departmental officials are at the hon. member's disposal to help him prepare his talk.

AIRPORTS

DORVAL—TRANSPORTATION BETWEEN AIR TERMINAL AND MONTREAL

On the orders of the day:

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, last Friday, the hon. member for Laurier (Mr. Chevrier) asked me whether I had received a brief about the Dorval airport from the Montreal chamber of commerce.

Since then I did receive this brief and I want to tell him that the officials of the air transport division of my department are now giving the fullest consideration to the various suggestions submitted by the chamber of commerce.

However, I would like to add that, with regard to passenger transportation between the Dorval airport and downtown Montreal I had various talks with the mayor of Montreal on the matter, in order to see whether it would be possible to serve the public either by extending the underground railway which is now being built in Montreal, or by establishing a monorail or some other system. I shall soon meet Mayor Drapeau with regard to this matter.

Hon. Lionel Chevrier (Laurier): Would the minister be so kind as to return the brief to me, as it is my only copy.

(Text):

IMMIGRATION

ALLEGED CONTINUATION OF PROCEDURES RESPECTING ILLEGAL CHINESE ENTRIES

On the orders of the day:

Mr. W. M. Benidickson (Kenora-Rainy River): I should like to address a question to the Minister of Citizenship and Immigration of which I have given him notice. I have reminded him that on November 16 he indicated that certain interrogations in respect of the Chinese community were being abandoned and I indicated that in so far as my own area was concerned, I had been informed recently that the R.C.M.P. had no notice of this government policy. I should like to know from the minister whether what he said as recorded on page 1693 of *Hansard*, to the effect that we have reached a point where there cannot be any further interrogation in respect of Chinese immigration was conveyed to the Department of Justice and from that department down to the ranks of the R.C.M.P.?

Hon. Richard A. Bell (Minister of Citizenship and Immigration): This is perhaps a question more appropriate to my colleague the Minister of Justice. I would say that the statement which I made on November 16 has been very widely distributed, as my hon. friend will see from what I show him. It was undoubtedly one of the most eloquent statements I have ever made. Ignorance of this statement on the part of any public official, I think, would not be excused.

Mr. Benidickson: May I ask a supplementary question of the Minister of Justice. How would it be possible, as late as December 9, for officials of the R.C.M.P. investigating the Chinese community in my district, under similar circumstances, to have an official of that force say to the person interrogated that he had not had this information conveyed to him which I had conveyed to the Chinese community by sending *Hansard* after the Minister of Citizenship and Immigration made his speech?

Hon. Donald M. Fleming (Minister of Justice): The hon. member, under guise of asking a question, has made a statement. Now,

I am not prepared to accept that as factual, just coming without any notice off the end of the hon. member's tongue.

Mr. Benidickson: I rise on a question of privilege.

Mr. Fleming (Eglinton): If the hon. member will do the proper thing, and put his complaint forward, with notice, of course it will be looked into.

Mr. Benidickson: Because of the nearness of the Christmas adjournment, as a matter of privilege I rise to say that this statement was made in November on motions when the government policy I have indicated was announced by the Minister of Citizenship and Immigration, yet the Chinese community continues to be harassed in this way by the R.C.M.P.

Mr. Speaker: Order. I have some difficulty in seeing the question of privilege the hon. member raises. He is attempting to argue the question on the basis of privilege, and I think he has put his point forward.

Mr. Benidickson: May I explain the matter of privilege?

Mr. Bell (Carleton): In raising his question of privilege the hon. gentleman makes the statement that the Chinese community continues to be harassed and that, sir, is quite untrue.

Mr. Speaker: The hon. member for St. Antoine-Westmount; I think we have gone far enough.

Mr. Benidickson: On the matter of privilege—

Mr. Speaker: What is the point of privilege?

Mr. Benidickson: My point of privilege is that I have communications which indicate that in my riding now at least a government policy is not being enforced and that one department is not carrying out what has been announced in this House of Commons by a minister of another department last month.

Some hon. Members: Order.

Mr. Speaker: Order. That is hardly a point of privilege.

REPORTED DESIRE OF U.S. MENNONITE GROUP TO COME TO CANADA

On the orders of the day:

Mr. J. R. Nicholson (Vancouver Centre): I wish to direct a question to the Minister of Citizenship and Immigration, of which I have given him notice. I may say, Mr. Speaker, there is some urgency about it in view of the television broadcast on the subject. Have inquiries been received by the Department of Citizenship and Immigration on behalf of a community of Amish Mennonite farmers in the state of Iowa indicating a desire to emigrate to western Canada?

Hon. Richard A. Bell (Minister of Citizenship and Immigration): Mr. Speaker, the simple and direct answer to the hon. gentleman's question would be no but inquiries and applications in some few instances have been received from individual Amish Mennonite farmers in the United States indicating an interest in emigrating to Canada. No inquiries have been received from or on behalf of a community as such.

COMBINES

REPORTED REQUEST FOR CRITICISMS AND SUGGESTIONS RESPECTING ACT

On the orders of the day:

Mr. David Lewis (York South): I wish to direct a question to the Minister of Justice, of which I gave him notice. Would the minister inform the house whether he or someone in his department has sent inquiries to any business firms, organizations or persons requesting recommendations for amendment of existing legislation or for new legislation in the field of combines and mergers?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, the answer is no, but I must say at the same time that in the course of replying to letters I have indicated, as I have orally in the house and elsewhere, that if there were any suggestions on the part of anyone with respect to the legislation or the administration we shall be glad to receive them and study them carefully.

Mr. Lewis: I have a supplementary question. Will the minister inform the house whether, in these letters he has just referred to, he has invited those organizations to send in recommendations?

Mr. Fleming (Eglinton): Mr. Speaker, I thought I just said that in responding to letters in my replies, and in statements in this house and outside it, I have extended an invitation to anyone who has any suggestion of that nature to bring it forward and we will examine it.

TRADE

OIL—ANTICIPATED EXPORTS TO U.S. IN FIRST HALF OF 1963

On the orders of the day:

Mr. G. J. McIlraith (Ottawa West): I would like to direct a question to the Minister of Trade and Commerce based on the statement

he made in this house on Friday last on the subject of Canadian oil exports to the United States, in which he said:

> The two delegations discussed estimated trade in oil and oil products in the first six months of 1963—

—and further based on an article in today's *Globe and Mail* headed "United States indicates sharp cut in oil imports".

Will the minister advise the house as to the expected amount of Canadian exports of oil to the United States in the first half of 1963 as compared with the first half of 1962?

Hon. George H. Hees (Minister of Trade and Commerce): No, Mr. Speaker, I am afraid that will be impossible. It is not possible to forecast accurately exports of oil from Canada in a period of that kind.

Mr. McIlraith: As a supplementary question, would the minister agree with the United States estimate that this year's increase will be 7.2 per cent as compared with 45 per cent for the corresponding period last year?

Mr. Hees: Mr. Speaker, I would have no way of agreeing or disagreeing with that information.

Mr. Hazen Argue (Assiniboia): I have a further supplementary question. I wonder would the minister be prepared to say to the house whether, in the opinion of the government, the U.S. president's recent proclamation affecting oil imports in the United States does in fact place a limit on increases in the exports of Canadian oil to the United States?

Mr. Hees: I would like to repeat to the hon. member, in answer to that question, part of what I said in the house on Friday last. I said:

> The two delegations noted that no change has been made in the overland exemption for oil which permits sales of Canadian oil in United States markets without licensing.

Mr. Argue: I would like to ask the minister—

Mr. Speaker: Are we getting into debate?

Mr. Argue: —whether the 12.2 per cent quota established by the United States—

Mr. Speaker: Order. We are getting into debate on this question.

NATIONAL DEFENCE

USEFULNESS OF VOODOO AIRCRAFT AND BOMARC MISSILES WITHOUT NUCLEAR WARHEADS

On the orders of the day:

Mr. Speaker: The hon. member for Red Deer, and I apologize for not seeing him earlier.

[Mr. McIlraith.]

Mr. R. N. Thompson (Red Deer): I wish to direct a question to the Associate Minister of National Defence. Will the minister inform the house whether there is any useful role for the Voodoo aircraft or for the Bomarc missile other than being equipped with nuclear warheads?

Mr. Speaker: Order. That is in the nature of an argumentative question and reply, and I think it should be asked on another occasion than orders of the day.

[*Later:*]

Mr. Thompson: Mr. Speaker, I was going to rise on a point of order. I asked a very legitimate question and I expected a yes or no answer. I may point out there was no ulterior motive behind my question.

Mr. Speaker: I am not suggesting there was an ulterior motive, but in the way the question was put I felt it was leading to controversy. Certainly the answer would be controversial, and perhaps the hon. member may be able to recast his question. The Chair is the judge.

Mr. Thompson: There was nothing argumentative about it at all.

NUCLEAR WEAPONS—DECISION BY PARLIAMENT OR PUBLIC

On the orders of the day:

Mr. Barry Mather (New Westminster): I wish to direct a question to the Prime Minister. In view of reports of mounting pressure being put upon Canada to get her to accept nuclear weapons, will the Prime Minister assure the house that before any commitment is made to adopt such equipment the matter will be referred either to the public or to the parliament of Canada for a decision?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, there is no pressure being placed against the Canadian government. Therefore the operative portion of the question does not apply.

[*Later:*]

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the Prime Minister relating to the one asked a moment ago by the hon. member for New Westminster. May I ask the Prime Minister whether the government has reached a decision to refer the matter to the public or the parliament of Canada before Canadian forces are equipped with nuclear weapons?

Mr. Diefenbaker: Mr. Speaker, the presumption inherent in that question is that the government has decided upon such a course.

[*Later:*]

Mr. Berger: Mr. Speaker, may I follow up the question I asked of the Prime Minister a moment ago. Can the Prime Minister tell the house whether the government has decided to acquire nuclear weapons or not to acquire them?

Mr. Diefenbaker: Mr. Speaker, the policies of the government have been brought to the attention of the house on a number of occasions in connection with this and other matters. That policy, when and if changed, will be brought to the attention of the house as usual.

Mr. Berger: What policy?

(Translation):

PUBLIC WORKS

ST. SIMEON, QUE.—INQUIRY AS TO WHARF CONSTRUCTION

On the orders of the day:

Mr. L. P. A. Belanger (Charlevoix): Mr. Speaker, I should like to ask the Minister of Public Works a question. Does the minister intend to have the needed transformation project of the St. Simeon wharf, in the riding of Charlevoix, started in the near future so that the new ferry which was built with government grants and is now ready to start operations between St. Simeon and Riviere du Loup, may actually do so?

Mr. Speaker: Order. I want to point out to the hon. member that he could speak of ferries, bridges and wharves until—

Mr. Belanger: Mr. Speaker, the boat is ready, but the wharf is not.

Mr. Speaker: This is like a litany, endless.

(Text):

DOMINION-PROVINCIAL RELATIONS

BRITISH COLUMBIA—REPORTED LEGAL ACTION RESPECTING OFF-SHORE RIGHTS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question of national importance and interest to the Minister of Justice. Has he received any official word from the government of British Columbia that that government intends to take legal action to prove its title to off-shore oil rights?

Hon. Donald M. Fleming (Minister of Justice): No, sir.

(Translation):

AIR TRANSPORT

DORVAL—ALLEGED UNSATISFACTORY INFORMATION SERVICE

On the orders of the day:

Mr. Jean-Paul Cook (Montmagny-L'Islet): Mr. Speaker, I should like to ask the Minister of Transport a question. Can the minister tell us whether he would have a talk with the chief of personnel, or the official responsible for the information office at Dorval air terminus, so that his employees may give better information than I received this morning, which caused me some serious inconvenience—

Mr. Speaker: Order. I am extremely sorry to have to interrupt the hon. member, but I do not think that the trouble any hon. member may encounter while travelling can be made the subject of a question asked at this stage of our proceedings.

Mr. Cook: Mr. Speaker, this could have happened to anybody, even to you.

CANADIAN NATIONAL RAILWAYS

REQUEST FOR USE OF BILINGUAL CHEQUES

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to ask the Minister of Transport a question. Since the government took the commendable action of issuing bilingual cheques, would the Minister of Transport ask the president of the Canadian National Railways, Mr. Gordon, to follow suit as far as that crown company is concerned?

(Text):

POST OFFICE DEPARTMENT

CHRISTMAS MAIL DELIVERIES BY REGULAR MAILMEN

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, may I direct a question to the Postmaster General. Would the minister consider the advisability of allowing the regular mailmen to deliver the mail on their respective routes at least once or twice during the Christmas period so they might not be deprived of Christmas gifts, which they deserve for their faithful and efficient services?

Mr. Speaker: Order. I feel sure the hon. member has made his representations, and this hardly forms the subject of a question on orders of the day.

(Translation):

Mr. Denis: Mr. Speaker, on a point of order.

Inquiries of the Ministry

I think my question is urgent, since it deals with several thousand mailmen who will be deprived of hundreds of dollars, more particularly because they are included in the group of civil servants who have not yet obtained any salary raise.

Mr. Speaker: Order. The hon. member has made his representations.

(Text):

GRAIN

WHEAT—REPORTED STATEMENT RESPECTING LOSSES ON CREDIT SALES

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I would like to direct a question to the Minister of Agriculture arising out of the recent concern of wheat producers that they may be called upon to pay certain losses on credit sales of wheat. My question is, can the minister inform the house of his reasoning in making the statement, as reported in the press, that the government has taken precautions against default and that when it makes credit sales there is no possibility of default in those sales?

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I think you will realize as well as I do that this is the type of question that should not be asked on orders of the day. I should be glad to take the hon. member aside and explain the simple facts of life to him.

Mr. Argue: On a point of order, Mr. Speaker, having to do with the suggestion of the Minister of Agriculture that this is not a proper question, the urgency and importance of this question arises out of the fact that there is a widespread report that there may be losses on certain credit wheat sales. The minister is reported as having said there is no possibility of a loss, and I think that should be explained to the house.

Mr. Speaker: Order. The hon. member knows that he cannot comment on the nature of a reply. Certain personal allusions made by the minister may be questionable, but on the other hand the hon. member cannot comment and there is no point of order.

PUBLIC SERVICE

INQUIRY AS TO COMPLETION OF SALARY INCREASES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the disillusionment experienced by many civil servants for whom no increase was announced a week ago, can the minister indicate to the house whether steps will be taken to complete the job?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, the job will be completed, as I said, as required under the act, the regulations and the practice.

(Translation):

HOUSE OF COMMONS

TRANSLATION INTO FRENCH OF WORK BY BEAUCHESNE

On the orders of the day:

Mr. Jean-Paul Cook (Montagny-L'Islet): Mr. Speaker, I would like to direct a question to the Prime Minister.

In reply to an inquiry I put to him at the beginning of this session, relating to the French translation of Beauchesne's Parliamentary Rules and Forms, he stated that he would take all the necessary steps in this regard. I now wish to ask him if there is any further information which he can give the house on the feasibility of this translation?

(Text):

Right Hon. J. G. Diefenbaker (Prime Minister): No, Mr. Speaker.

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225 loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

(Translation):

Mr. Gregoire: Mr. Chairman, following the few remarks I made last Friday, I should like to deal once more with a matter of concern to at least some of us who are sitting here, that is to say the French speaking members of this house.

I have known for a long time that the English speaking Canadians constitute a great nation which can be fair and respectful of the rights of other racial groups, particularly when the latter know how to respect themselves and command the respect of others; the fact remains, however, that we sometimes meet a few rare individuals who may destroy that desire for perfect harmony and good understanding between the two nations forming this country.

When we hear, for instance, a man who has left school at the age of 15 say that the educational system of the province of Quebec is inadequate and cannot train competent men, we cannot help but think that this man is a victim of his own incompetence and that, to correct such a situation, he is simply trying to gather around him men who are more competent than himself.

In fact, if we excluded those few individuals, those few fanatics, we would then have two great races living side by side, that is to say English speaking Canadians and French speaking Canadians. Our country would then have two racial groups able to live in harmony with one another, commanding the respect of one another and respecting the rights of one another, both participating in the achievement of what may become one of the greatest countries in the world, Canada.

Mr. Chairman, we French speaking Canadians do not suffer from an inferiority complex when it comes to entering this struggle to develop our country and make it one of the greatest in the world.

We have survived for more than four centuries in our country. You can be sure, Mr. Chairman, that we shall not only continue to survive but to live as a nation here in Canada.

We have fought for the survival of our nation. That might be why we are all the more proud to be French speaking citizens.

Mr. Chairman, before I came to Ottawa as a member of the House of Commons, I had been warned that I would be treated as a stranger in a city where one can hardly expect to be understood in French and where we would not be considered as full Canadian citizens.

I do not know what was the situation before, but since my arrival I believe, on the contrary, that it is possible for the two great nations of the country to reach a perfect understanding.

Mr. Chairman, French Canadians have always been knocked about and crushed by politics in the past. Today, the tendency is to deal with all questions without regard to politics and indeed politicians.

Since the beginning of this session, we have constantly made representations on certain points concerning bilingualism, and we have obtained satisfactory results from this government on several occasions. But then, we have invariably been dealing with specific points.

Today, we want a general understanding on all points, a complete policy statement on bilingualism and on the participation of French Canadians at all levels of the civil service.

Mr. Chairman, I am satisfied that this purpose may be achieved, for I have had the opportunity to realize, since I came to this house, that there are, in all parts of parliament, Canadians who are sincerely hoping for complete co-operation so that the two great nations of our country can live side by side, respecting the rights of one another.

Mr. Chairman, I have met in this house some of those Canadians who are really hoping for a full understanding between our two nations. I have had talks with members from all the parties in this house, who want to see this co-operation between the two nations.

To name only a few of those who have shown this hope for a perfect understanding between the two nations, I shall mention the Prime Minister of our country as well as some members of his cabinet, like Mr. Nowlan and Mr. Fleming.

I met English speaking Liberals, also, like Messrs. Walter Gordon, Turner, Paul Martin, as well as members of the New Democratic party, like Mr. MacInnis, Mr. Peters and others, and in our own party, Mr. Thompson, Mr. Leboe—

(Text):

The Chairman: Order. I am sorry to interrupt the hon. member, but I would inform him that it is not the practice to mention hon. members by name either in committee or in the house. If he refers to them again I wish he would refer to them by their constituencies.

Mr. Gregoire: Mr. Chairman, I used their personal names because I did not know the names of their constituencies.

(Translation):

Mr. Chairman, I had the opportunity of meeting some English speaking members of this house and after talking to them, I found them sincerely anxious to foster a spirit of co-operation between the two great racial groups which form our country, this Canada of ours.

Mr. Chairman, I feel that it is time now to set up a royal commission on bilingualism and on French Canadian participation in the civil service at all levels. Many individuals and organizations have asked for the establishment of such a commission.

Mr. Laurendeau of *Le Devoir* has taken the lead and other papers have followed suit. I have personally been asked, as well as several other members of this house, that a royal commission on bilingualism be established. St. Jean Baptiste societies, chambers of commerce, social clubs, student groups and many individuals are among those who are asking for the setting up of such a commission.

Mr. Chairman, there is no question here of threatening or blackmailing, but we feel it is time to review the situation. French Canada will survive whatever happens, it will develop in the whole of Canada in full recognition of its rights, or it will go towards a separate existence.

I think the time has come to study the matter seriously, to consider the situation as a whole, and that is why we take the opportunity of claiming, even of demanding of the government positive action in the form of this commission which has been insistently requested these last several months.

(Text):

Mr. Pearson: Mr. Chairman, we are now considering interim supply which, when passed, will have provided for ten twelfths of an expenditure of $6 billion, no single dollar of which has been passed by this house as an estimate. This fact has been pointed out by other hon. members and it will be pointed out again. At this moment I do not propose to spend any more time on that subject, but I should like to say something about a matter which, even in a technical sense, is covered by interim supply, because it is a subject which does involve intervention by the federal government in provincial-federal relations, and in other ways which bring the whole question to our attention; the question of provincial-federal relations, which has been dealt with in the last few minutes by my hon. friend who preceded me. I propose to deal with one aspect of it shortly and I hope in an entirely non-partisan way.

[Mr. Gregoire.]

Mr. Chairman, our country is now preparing to celebrate the centenary of our confederation. We have a bill before us, at least certain proposals are before us, which make us conscious of this fact. It should be an occasion for thanksgiving and for hope. And yet, as we prepare for this centennial celebration, we in Canada are anxious, indeed uncertain, about our future. We seem doubtful and confused about our place and our role in a rapidly changing world. Our wealth and our resources, both human and material, are great. Our standard of living is high. But we worry, and in my opinion rightly, about inadequate economic growth and the unemployment which results from that, about our unfavourable international balance of payments, and about other things which may affect our future. We worry because we are becoming more and more dependant instead of less and less dependant upon the United States economically, culturally and even politically. This leaves us with a feeling of frustration and irritation. Recent events have shown clearly that we are going through another serious crisis of national unity, and I do not think it is an exaggeration to call it this. Not only have we been unable in this country to agree on all the symbols of nationhood long after we have become a nation, but in some quarters the very foundation of our confederation is being questioned. Professor Frank H. Underhill, a perceptive if somewhat astringent commentator on the Canadian scene, said the other day in a speech:

> The unpleasant fact is that we seem to be drifting without a compass. We have lost that conviction of positive national purpose which inspired our forefathers in 1867... We are fumbling for that lost sense of impending greatness which once buoyed us up... What the times demand of us is a higher degree of sustained intellectual effort, a more courageous imagination, a more experimental spirit than has ever been before required in our history.

Confederation was our declaration of faith in the destiny of a united Canada. It was also our declaration of independence from the United States. We would go it on our own on this continent from coast to coast, first as part of the British empire and later as an independent nation of the commonwealth of nations. We knew at that time that such a declaration, based on such a faith, would involve an economic price. We were ready then in Canada to pay that price—and I hope and believe we are still ready to do so—namely, the price of being Canadian.

Confederation, however, also involved another price which too many of us either forget or do not wish to pay because perhaps

it is inconvenient for us to pay it. Confederation meant the rejection not only of political and economic annexation by the United States but also of the American melting-pot concept of national unity. Confederation may not have been technically a treaty or a compact between states, but it was an understanding or a settlement between the two founding races of Canada made on the basis of an acceptable and equal partnership. That settlement provided that national political unity would be achieved and maintained without the imposition of racial, cultural or linguistic uniformity.

I sometimes think that the understanding was more academic than actual. Outside Quebec, and as Canada grew from coast to coast, this understanding was more often honoured in the breach than in the observance and for reasons which any of us who know about the development of Canada can understand. As a result, there has grown up in this country two different interpretations of confederation. It is this difference in interpretation of confederation itself which has created and is creating today confusion, frustration and indeed some conflict.

To French speaking Canadians confederation created a bilingual and bicultural nation. It protected their language and their culture throughout the whole of Canada. It meant partnership, not domination. French speaking Canadians believed that this partnership meant equal opportunities for both the founding races to share in all phases of Canadian development.

English speaking Canadians agree, of course, that the confederation arrangements protected the rights of French Canadians in Quebec, in parliament and in federal courts; but most felt—and I think it is fair to say this—that it did not go beyond those limits, at least until recently. This meant that, for all practical purposes, there would be an English speaking Canada with a bilingual Quebec. What is called the "French fact" was to be provincial only.

Mr. Chairman, this difference over the meaning of confederation was obscured for many years after 1867 by other considerations, other considerations which I have not time to go into now. However, it is the basic source of present misunderstandings and difficulties in relations between the two founding Canadian races.

The first important clash perhaps between those two different interpretations occurred when the school question was raised in Manitoba. Then, during and after world war I, French Canada and indeed English speaking Canada too—French Canadians and English speaking Canadians—were perplexed and disheartened by the conflicting interpretation of the obligations of Canada in her participation in that war. French speaking Canadians also, and increasingly, felt they had failed somehow in their attempt to secure the acceptability of their culture in other parts of Canada. Hence they tended to withdraw, with their frustrations, into what has been called at times the Quebec reserve. This tendency to withdraw did not, of course, prevent important changes in Quebec, especially in the twenties, brought about especially by rapid industrialization.

I think it is fair to say that French Canadians were often slow to adjust themselves to this new industrial environment. Most of their leaders were trained in law, theology or in medicine. They saw Quebec's future in terms of political autonomy, decentralization and a mainly agricultural economy. There was fear of the new industrialization as something that would break up French Canada's cohesion and weaken its special values, special traditions and special culture. I believe that fear was increased, as I think the record will show, by the fact that the capital, management and skilled personnel required for industrial growth were largely imported from English speaking Canada or from the United States of America. These managers, these financiers, these technicians from outside rightly felt that they were helping to bring wealth and material progress to Quebec, and they were. It was hard for them to realize that, often through no fault of theirs, French speaking Canadians were being excluded from the direction of and even from satisfactory participation in the economic development of their own province. Changes, then, which brought economic advantages to Quebec suffered from the political disadvantage of being so often imported from outside and of often being alien to the spirit of Quebec.

There was ample room for misunderstanding here. We English speaking Canadians ought to be able to appreciate this because we often react critically to American financial control and management of industrial growth and resource development in the English speaking parts of Canada. In the English speaking provinces the barriers, when they existed, were national, not racial. In Quebec they were primarily racial but they tended also to become national when the English speaking Canadian managers, engineers and technicians made no greater effort to adapt themselves to a Quebec cultural and linguistic environment than did Americans who had come there.

This, Mr. Chairman, was bound to bring about political strains and stresses in Quebec's

economic progress. In spite of much sincere and conscientious effort on both sides, and I think that effort has increased in recent years, to reduce and remove these strains, "The Two Solitudes" developed side by side in many of the cities and industrial areas in the province of Quebec. In earlier years after confederation this state, if I may call it that, of bicultural co-existence did not raise many or obvious problems. In those days there were only marginal contacts between the two groups and English had become the language of bilingualism. Even after world war II, when things began to change rapidly in Quebec, the Union Nationale regime helped to hide what was taking place in French Canada from the English speaking community.

This Quebec industrial revolution was accompanied, as revolutions of this kind nearly always are, by parallel revolutions in other fields. Perhaps it was most apparent in the arts and in literature. But the structure of society was also changing in other respects as well. Co-operatives, labour unions, credit unions all grew rapidly in that province. Even more important were the changes taking place in the system of education there. Engineering, commerce, the natural sciences and the social sciences began to attract a greater and greater number of students.

People in English speaking Canada were aware, of course, that something was happening in Quebec. We were becoming more and more conscious than we were before of Quebec's importance as a partner in confederation. We were not lacking in good will and in a desire to understand the special situation of Quebec. But perhaps we needed shock treatment to make us appreciate the full significance of what had happened, of Quebec's social revolution. That shock was given in recent years by separatism, by the agitation in some quarters, which got so much publicity, for what was called political liberation. That was an extreme reaction to what had been going on for at least 15 years in industrial and social change. Less extreme reactions, however, were perhaps even more significant and quite as sincere as a reflection of Quebec's impatience with her present position in confederation. In any event, for Quebec the period of rural isolationism was over and the prospect of mere survival, even industrial survival, in confederation was not good enough.

It is now clear to all of us, I think, that French speaking Canadians are determined to become directors of their economic and cultural destiny in their own changed and changing society. They feel that in doing so they are not being isolationists but that, on the contrary, only in this way can they make their rightful contribution to the true development of Canadian confederation. To this end they also ask for equal and full opportunity to participate in all federal government services, in which their own language will be fully recognized. This right flows from the equal partnership of confederation.

Are these objectives of full participation in the discharge of national responsibilities along with the full enjoyment of rights and opportunities attainable for all French speaking citizens in our country as it is at present organized in confederation? I submit that the answer depends in part on French speaking Canadians themselves, on their willingness to continue the effort they have been making, on a large scale since 1960, to develop educational facilities and to ensure that there will be enough qualified French speaking Canadians to exploit the opportunities and fulfil the responsibilities that develop.

But the answer also depends, and I believe in greater degree, on English speaking Canadians because we are in the majority. In managerial levels in industry, for instance, and in the federal public services it is the English speaking Canadians who must accept the changes which are required to make a reality of full partnership. Are we willing to do it? Are we prepared not only to accept those long term objectives of partnership but, perhaps more important and more difficult for us, to take immediate and concrete steps to achieve them?

If the answer to these questions is in the affirmative, then we can be confident of the future of our united country and we can look forward to a new era of strength and unity which will enable us to overcome any economic, cultural and political differences and to go forward together as Canadians. But if the answer is negative, not so much the answer in words but the answer in fact, and if we become unaware or careless of the obligations and opportunities of true partnership, we will continue in this country to drift from one difficulty to another until a majority of people on both sides will have had enough of this unique Canadian experience. The final result of that would, indeed, be separatism. I am sure we are all in full agreement that this course would be only a desperate and despairing solution, for it would mean the end of our united country and the betrayal of a great national heritage. It would be a loss, an indescribable loss to us all.

Today, when the greatest need of free men and free nations is to come closer together politically, economically and culturally, to accept and act on the compulsions and opportunities of interdependence; at this time of all times it would be a tragic thing for Canadians

to have to admit their failure to unify their own country in any real and meaningful sense, which means unity without sacrificing special and separate values. No Canadian, surely, could contemplate with anything but bitter regret the weakening, let alone the failure, of confederation, especially when Canada has grown so much in stature and achieved so much respect in the world.

But we cannot afford to be complacent about this. The world around us shows that nations, when reasonable and acceptable compromises are postponed or are offered too late, will resort to desperate solutions which earlier had appeared to be unthinkable to them, and against their own best interests.

So, Mr. Chairman, we should be careful not to be complacent about what is happening. We should also be careful not to let emotions created by immediate controversies or special incidents warp our judgment or distort our perspective. We should not assume that cracks mean the wall is falling. On the other hand, we will never restore strength merely by papering over the cracks as they occur. It is a time, Mr. Chairman, not for extremists and their passions but for a deep, responsible, and understanding examination of basic situations.

This means, I believe, that we have now reached a stage when we should seriously and collectively in this country review the bicultural and bilingual situation in our country; our experiences in the teaching of English and French, and in the relations existing generally between our two founding racial groups. In this review there should also be in my view, every opportunity and every encouragement for Canadians, individually or in their associations, and organizations, to express their ideas on this situation. If they find it unsatisfactory they should suggest concrete measures to meet it and to reach a better, more balanced participation of our two founding groups in our national affairs.

Are we ready, for instance, to give to all young Canadians a real opportunity to become truly bilingual? If the answer is yes, as I am sure it would be, what concrete steps should be taken at the different levels of our educational system to bring about this opportunity, having regard to the fact that constitutional responsibility for education is, and must remain, exclusively provincial? What further contribution to this end have we the right to expect from radio, from television and from films in both languages? How can we encourage more frequent contacts between young Canadians?

Then, there is the question which has already been mentioned in this debate, one of specific and inescapable federal responsibility. What are the reasons why there are relatively so few French speaking Canadians in the professional and administrative jobs of the federal civil service, including crown corporations and federal agencies? How can that situation be improved as it must be improved? Would it be desirable, for instance, to have a bilingual school of public administration operated by the federal government in Ottawa?

There are a great many more questions that we might ask ourselves. These questions are now very much in the minds of Canadians, more so I believe than ever before in our history. They deserve concrete answers because they are vital to our future as a united country. They should be thoroughly examined and Canadians should be given an opportunity of expressing their views about them. There could not be any better preparation for the celebration of the centenary of confederation than to seek and find these answers. The federal government, as I have already stated and as is obvious to us all, has a special and exclusive responsibility to do something about the federal service and the crown companies. But an inquiry here, Mr. Chairman, and even necessary changes, will not in my view go far enough. Many of the most important problems to be solved fall within provincial jurisdiction, especially those arising out of the teaching of both languages. Therefore, if this wider inquiry into the means of developing the bicultural character of Canadian confederation is to be undertaken, the provincial governments would have to be associated with it.

I suggest that to this end the federal government should consult with the provincial governments without delay. If these consultations—I hope this would not happen and I cannot see any reason why it should—do not result in a positive response or if they are delayed, then of course any federal government would have an obligation to go ahead with the inquiry into matters which fall within its own jurisdiction. One additional advantage, Mr. Chairman, of the joint inquiry, that is with the provinces, is that it would show the importance of the contribution to our national development made by Canadians other than the founding races, which has been of special and indeed exciting value since world war II. This contribution of new Canadians from old races has added strength, colour and vitality to the pattern of our national life. It has enriched Canadianism by qualities inherited from old and noble traditions and cultures of other lands.

What better way could we prepare for our centenary than by taking effective steps

now to deepen and strengthen the reality and the hopes of confederation so that all Canadians, without regard to race or language or cultural backgrounds, may feel with confidence that within this nation they can realize, without discrimination and in full partnership, a good destiny for themselves and for those who follow them. In that spirit of hope and confidence we can all work together and build up a greater and more united Canada.

(Translation):

Mr. Sevigny: Mr. Chairman, we have heard two remarkable speeches this afternoon. The first one by the hon. member for Lapointe (Mr. Gregoire), and the second one by the Leader of the Opposition (Mr. Pearson).

Of course, I am in agreement with the remarks of the Leader of the Opposition when he says that it is essential to have a better understanding between the two great racial groups forming this country.

It is quite obvious that our country will reach the full scope of its magnificent destiny when the two great racial groups in this country will live in a climate of mutual understanding and full co-operation.

This good understanding is now facing obstacles, the first of which being, it seems, a mistaken view of the educational system in the province of Quebec. As a result some people in the other provinces and even in our own province think that the graduates of our secondary schools and of our universities are not qualified to occupy important positions in nearly all spheres of Canadian activity.

It is unfortunate that such publicity should be made at this time about certain incidents and statements involving businessmen or company heads who, perhaps in order to excuse their regrettable omissions, try to put the blame on a lack of education in order to excuse the faults of their own administration.

Mr. Chairman, as several members of this house, I am a graduate of our secondary schools, and I have studied a few years in our universities. I have had the opportunity of talking with graduates of secondary institutions or university establishments of other provinces, and I have been in a position to realize that the graduates of Laval or Montreal universities, of the Quebec school of commerce, of the Montreal school of higher commercial studies, of Polytechnique, and of our other schools, are as qualified as graduates of any other similar school or university in Canada to occupy commanding positions in any sphere of activity.

That is why I do not hesitate to say that if, in private industry or elsewhere, French Canadians could not be found to fill important posts, it is mainly due to the fact that no effort has been made to find competent people where they could be found.

The other day I made the following suggestion: let the heads of big corporations carefully examine the list of graduates of our secondary and university establishments for the last ten years, let them pick the first ten in each year, and they will have immediately a reserve of qualified men among whom they will be able to select the French Canadians they need, not only in order to give French Canada its fair share, but in order to improve the quality of their own concerns.

Mr. Chairman, our English speaking fellow citizens have their own faults too, just as we have ours in French Canada. Those faults must be eliminated. Any act done on the spur of spontaneous anger which deeply hurts not only our English speaking fellow citizens but also our French speaking ones constitutes a stumbling block which may destroy the hopes of those who see in the existence of harmony and unity between both races the solution to the main problems of the country.

I condemn those who allowed the war memorial in Ottawa to be desecrated. I also condemn those who were responsible for the taking-down of the red ensign on Place Ville-Marie or who allowed this thing to happen.

I long with all my heart for the day when, united at last, all Canadians will rally behind one clearly distinctive flag which every patriotic Canadian will salute as the emblem of national unity.

It is precisely with that purpose in mind that the Prime Minister (Mr. Diefenbaker) announced recently that early next year the government would call a conference of provincial and federal statesmen to promote the adoption of a symbol around which all Canadians will rally and which will permanently identify our Canadian sovereignty.

Mr. Chairman, a while ago, I was asking our English speaking fellow citizens to show better understanding and to make a better study of the undeniable qualifications of our university graduates, but I think it is also necessary to ask the children of French Canada to realize that too stormy public protestations are not likely to bring our fellow citizens in other provinces to understand that we must go ahead in a conciliatory spirit.

I approved most of the remarks of the Leader of the Opposition (Mr. Pearson), but I regretted a statement that we hear all too often at the present time in every speech of

those who adopt the Liberal philosophy or support the Liberal policy in Quebec or elsewhere. In fact, it is suggested that nothing was done in Quebec before the present provincial administration took over in 1960. To deny that projects were carried out prior to 1960 is simply to deny the truth. Those who studied what happened before 1960, in the province of Quebec, are in a position to note that under the provincial administrations that were in office before the present one, all our schools and our education system made tremendous progress. More than 4,000 schools were built in the province of Quebec, and it is absolutely false to say that nothing was done in our province before 1960. People who say that are simply giving those who claim that we are not qualified one more reason to refuse us key posts in our industries.

If, in fact, nothing was done before 1960, those who claim that we are not entitled to key posts in industry or elsewhere, because of our lack of qualifications, would be right. But a lot was done and I repeat what I said at the beginning of my remarks: the graduates from our universities, our secondary schools, are just as qualified today to hold those key posts as they were before the present government, that is the Liberal government, took office in the province of Quebec.

I commend the present Liberal authorities for the impulse they are trying to give to education in our province. I believe that all those who take an interest in the vital question of education will encourage any party that seeks to improve the training given our young people and advance the cause of education. But the cause of education has not progressed to a satisfactory level. The programs of our schools and colleges have not been modified sufficiently during the last two years for anyone to claim that before 1960 our education system was nil in Quebec and that at last today perfection has been attained for the sole reason that there is a new political regime in Quebec city.

Intellectuals who are anxious to acquire culture would have occupied as high a rank before 1960 as they do now under the present government.

But to say that intellectual activity has existed in the province of Quebec only for two years is, unfortunately, using political arguments for the sole aim of convincing voters that they are better off with one party instead of the other, but that is not so, actually.

A few moments ago, the Leader of the Opposition suggested in most convincing terms that a federal-provincial conference should be called for the consideration of this problem of applying integral bilingualism and giving a fair share to our people in the civil service and in crown corporations. There is merit in that suggestion and, as I said before, a federal-provincial conference will be called at the beginning of the year in order to determine, in a spirit of co-operation and understanding, what is needed and should be done in order to endow our nation with the symbols of its sovereignty.

All those steps should be taken and all those problems studied most carefully, in a spirit of good will, as mentioned earlier by the member for Lapointe (Mr. Gregoire) when he said that he had noticed among his English speaking colleagues in the house a desire for Canadian unity, similar to that which exists in the province of Quebec.

Such an atmosphere should prevail during this conference when all those other steps will be taken jointly by Canadians called upon to settle this most important question of national unity.

I feel that it would now be proper to ask all Canadians to write to their members of parliament and send suggestions on matters pertaining to the emblem of unity that we want, to that sovereignty which is so essential, because as long as the Canadian people will not rally around those symbols, the principle of a bi-ethnic and bilingual culture will not be fully respected. Unfortunately, we shall witness demonstrations similar to those staged following the incident which involved the president of the C.N.R. We shall see other such incidents multiply and give rise to all kinds of uneasiness which far from bringing us together, will draw us apart, thus almost justifying those who see in false theories an answer to our problems.

No, Mr. Chairman, far from separating, we must unite more than ever, here in Canada. Far from separating, we must understand the necessity of joining around the symbols of sovereignty I mentioned earlier.

At a time when the nations of the world, having understood at last, after so many

wars and sacrifices, that it is definitely essential to unite if we want final peace, would it be logical for a country like Canada, which is only at the beginning of a wonderful destiny, to disunite because of pointless quarrels which could be settled with a little goodwill and mutual understanding.

Mr. Chairman, those who advocate separatism are working against the best interests of Canada. They forget in particular the sacrifices made during the two world wars by Canadians who went to the battlefields to defend not a foreign cause but the cause of freedom, the cause of Canada which some of them cherished even more than their lives.

Canada has to be united. It is essential for Canadians to find, through the representatives they have elected to parliament to give them guidance and unity, formulas which will bring about mutual understanding. Canadians must unite, and that objective will be achieved only when Canadians will have understood that the role which is reserved for French Canadians, in this Canadian land, must have the same importance on the federal scene as well as in private enterprise, as the one which is entrusted to English Canadians or other racial groups living in this country.

Our English speaking colleagues must understand not only our problems, but also the fact that we, French Canadians, are here to stay, that we are deeply attached to our French traditions and that we wish to keep on speaking this language which is our mother tongue, and one of the most beautiful in the world. English Canadians must understand the need which French Canada has of maintaining its cultural tradition, because it is only through the maintenance of that cultural tradition that the citizens of French Canada will fully develop.

On the other hand, French speaking Canadians must understand that there exists among their English speaking colleagues a desire to understand them, to be conciliatory and to sit down with them around a conference table, in order to find the formulas which may bring about good understanding between all groups.

Mr. Chairman, I am of the opinion that this debate is necessary.

The Deputy Chairman: Order.

Mr. Sevigny: I think it behooves us—

[Mr. Sevigny.]

(Text):

The Deputy Chairman: Order. It being five o'clock, it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Progress reported.

Mr. Speaker: It being five o'clock the house will now proceed to the consideration of private members' business as listed on the order paper, namely the notices of motion which appear on page 28.

BROADCASTING

REQUEST FOR SURVEY OF COMMERCIAL ADVERTISING ON RADIO AND TELEVISION

On the order: Private members' notices of motion:

That a special committee be appointed to carry out a survey of all aspects of commercial advertising on Canadian television and radio, in certain newspapers and other fields of mass communication, for the purpose of recommending what steps, if any, should be taken to prevent the distribution of fraudulent and misleading advertising to Canadian consumers;

That the said committee consist of fifteen members to be named at a later date, nine of whom shall constitute a quorum;

That the said committee be empowered to send for persons, papers and records; to sit while the house is sitting; to report from time to time; and to print such papers and evidence from day to day as may be ordered by the committee, and that standing order 66 be suspended in relation thereto.

Mr. MacRae: Stand.

Mr. Speaker: The hon. member requests that this motion stand, but it was called for the first time on December 12. If it is not proceeded with today it will disappear from the order paper pursuant to standing order 48, subparagraph (1). Is the hon. member still requesting that the order stand?

Mr. MacRae: Stand.

Order discharged and motion withdrawn.

LABOUR CONDITIONS

SUGGESTED INTRODUCTION OF MEASURE TO ENSURE FULL EMPLOYMENT

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That, in the opinion of this house, the government should give consideration to the advisability of introducing a measure to be known as "The Canada Full Employment Act", and that consideration should be given to including in the said proposed measure, *inter alia*, the following provisions: (a) a clearcut recognition by parliament of the importance of full employment as a national policy; (b) a declaration that it is the responsibility of the federal government to take the steps that are necessary to provide and maintain a full

employment economy; (c) the establishing of a council of economic advisers, empowered to make regular reports containing economic analyses and projections based on objective research, such reports to be made public; and (d) a requirement that there be an annual report to parliament, by the minister responsible for the administration of the act, on measures taken under its provisions, with opportunity for scrutiny and debate, so that parliament might make sure that the purposes of the proposed act are fulfilled.

He said: Mr. Speaker, this motion, as its terms indicate, asks that consideration be given to the enacting of a statute to be known as "The Canada Full Employment Act". I believe that this is the first time such a proposal has been formally placed before the House of Commons. If one has in mind the batting average of private members' motions and private members' bills, I suppose I should not be too hopeful that it will pass in the hour allotted to it. However, hope does spring eternal, and because of the great importance of the subject matter of this motion I dare to hope that the house might give its approval to it. If this does not happen today I am satisfied, Mr. Speaker, that it will happen some day; that the day will come when there will be on our statute books an act of this description. When that day comes a full employment act, or a guaranteed employment act, will rank with what I hope by that time is a proper bill of rights, and with other such pieces of legislation as amongst the most important items on our statute books.

Mr. Speaker, when Canada first came into being in 1867, and when the parliament of Canada was created by the British North America Act of that day, it was felt that the role of government was somewhat limited. It was the job of parliament and of the government to arrange for the administration of essential services, to provide for the defence of the country, to organize the postal services, and things of that sort, but it was the feeling of that day that the functions of the government should be limited. In the 95 years since confederation the picture has changed considerably. The number of responsibilities which fall to parliament and government has grown, and will continue to grow in the years which lie ahead. In particular we have multiplied the services, the organization and provision of which we recognize as the responsibility of government. We have gone a great way, even in the political lifetimes of many of us in this chamber, in the field of social security in the enactment of measures which were visionary and idealistic a generation or two ago. Things which are thought to be beyond the responsibility of government are now on our statute books. I feel, Mr. Speaker, that one of the next areas into which we must move, and move with determination, is the question of seeing to it that full employment is provided for our people. The fact that this sort of thing is happening is, of course, supported by certain pieces of legislation which are before this parliament. The rules prevent me from referring to them in any detail, but I think it would be in order for me to say in passing that the very fact that we are discussing such items as an Atlantic development board and a national economic development board is an admission by the government and this parliament that there is a job now for both government and parliament to do in the economic field.

Mr. Speaker, we feel that what is required is far more than is suggested in these other pieces of legislation which are before this house. We think that something comparable to a bill of rights, something comparable to the assertion that there are basic things which belong to the people of this country, should be done in the field of guaranteeing full employment. That is why we suggest in the terms of this resolution that this house should ask the government to give consideration to the advisability of bringing such a measure before parliament. As suggested in the resolution, we propose that such a statute should include a number of things. In the first place, it should include a clearcut recognition by parliament of the importance of full employment as a national policy. When we reach the point where we accept that responsibility as a parliament, we will be able to do something about it, rather than just hoping that private industry, under benefits and arrangements made by the government, will do the job for us. I suggest this becomes just as important a responsibility and as important a function for the parliament of Canada now as the social services we provide, as the defence of the nation, as our diplomatic policy, and as our basic human rights. In fact, one of the things missing in the discussion which took place in this house during the last parliament on the bill of rights was the question of the important economic and social rights which belong to our people. Therefore, we feel that parliament should declare quite clearly and in forthright manner that we do not leave this responsibility to private sectors of the economy, that we do not leave it to chance. We accept it as parliament's responsibility to maintain a policy of full employment.

A second recognition which we feel should be in a full employment act or a guaranteed employment act should be a declaration that it

is the responsibility of the federal government to take the steps necessary to provide and maintain a full employment economy. Here again it will be noted that we are asking for a good deal more than that which is proposed in other items of legislation before this parliament at the present time. We ask not just for boards or committees to discuss these things; we ask for recognition in a statute of parliament that it is the responsibility of the federal government to take the necessary steps which will provide full employment for our people.

A third proposal which we think should be in a statute of this kind would be one for the setting up of a council of economic advisers. This is something far more than is proposed with regard to a certain board being discussed under another item. We feel that this council of economic advisers should be empowered to make regular reports containing economic analyses and projections based on objective research, and that all these reports made by the council of economic advisers should be made public.

The fourth of the items which we suggest should be in such a statute would be the requirement that there should be an annual report to parliament, by the minister responsible for the administration of the act, of measures taken under its provisions so that there would be an opportunity for scrutiny and debate, to the end that the House of Commons will be able to make sure that the purposes of the act are being fulfilled. In other words, what we are suggesting is that concern for the economy or concern that the economy produce full employment be put at the very centre of our responsibilities as the elected representatives of the people of this country. If the House of Commons will take this responsibility and if we will get down to business and do the things which are necessary in terms of economic planning, enlarging the public sector, and greater public ownership, in order to provide full employment, on that basis we believe we can do just about all the things we feel we should be doing for our people.

For example, we know that we have a long way to go in this country in terms of providing adequate housing. We know that we have a tremendous way to go in terms of providing health care for all our people. A moment ago I spoke about the progress we have made in the field of social security. However, we have a great deal to do yet in that field. We cannot do these things as we should do them while we are suffering from unemployment and while we are failing to produce the wealth or the goods and the services which we have the capacity to bring into being. However, if we provide full employment, if we make that responsibility a major concern of the parliament and the government of Canada, we can really fill the bill in terms of housing, health, security, education and all the things our people need.

[Mr. Knowles.]

There is one other area which concerns us greatly today, namely our contribution to building up the economies of the underdeveloped countries of the world. We know that in this way and in this way only can we achieve and maintain permanent peace. In order to do this, in order to make a significant contribution—and I suggest that it should be a massive one—to the development of underdeveloped countries, it will be necessary to have full employment and to have people at work producing goods and services on a scale far beyond anything in existence in Canada at the present time. In other words, we are concerned not just with taking up the slack so that there will not be unemployment and the suffering that goes with it; we are concerned about the kind of full, effective and efficient employment that produces goods and services which will provide a good economy and a good standard of living for our people and which will enable us in Canada to make a significant contribution to improving the conditions of life for people the world around and in so doing will enable us to make a significant contribution toward the peace of the world.

So, Mr. Speaker, I emphasize as I did at the start the fact that this is the kind of statute that would put concern for full employment at the centre of our parliamentary responsibilities; it is comparable to a bill of rights or to those thinks that belong in the basic constitution of a nation such as ours. This kind of statute is one that sooner or later we must have. Because of the present need for action in our own time we hope that something may be done about this matter at an early date.

By the very nature of things this resolution cannot put the proposed statute on the statute books; it is put forward as a private members' resolution which asks that the government give consideration to the advisability of taking this course. Because of its importance I hope that there will be a reasonable amount of discussion of this proposal but that the house may see fit to endorse the motion and ask the government to consider this extremely important matter.

Mr. H. E. Gray (Essex West): Mr. Speaker, in listening to the hon. member for Winnipeg North Centre (Mr. Knowles) who just spoke, I noted one of his remarks in which he indicated, if I may paraphrase his words, that this was the first time something of this nature had been brought before this house. I would suggest that this is not really the first

time something of this nature has been before us. Back in 1945, in a somewhat different form, the Liberal government of that day brought down a famous white paper on employment and income which laid out the chart for Canada's progress in the post-war years until 1957. In that white paper it was set forth as a matter of government policy that full employment was an aim of government for the Canadian people. I quote from page 1:

> The central task of reconstruction in the interests of the armed services and civilians alike, must be to accomplish a smooth, orderly transition, from the economic conditions of war to those of peace and to maintain a high and stable level of employment and income. The government adopts this as a primary object of policy ... In setting as its aim a high and stable level of employment and income, the government is not selecting a lower target than "full employment".

In summarizing, at page 23, the various policies set forth in this famous white paper, it concluded as follows:

> In this paper, the government has stated unequivocally its adoption of a high and stable level of employment and income, and thereby higher standards of living, as a major aim of government policy.

In this white paper were set forth policies which stimulated the expansion of the Canadian economy and created jobs for hundreds of thousands of soldiers returning from the war. They included policies with regard to low interest rates, incentives for private investment, public investment, the stimulation of housing and slum clearance. When we look at the record of Canada between 1945 and 1957 we can see the record of achievement which resulted from this clear statement of policy in this famous white paper in 1945. We had a rate of growth that made us the envy of the world. We had a rate of employment that certainly ranked with the best in the world either before or since.

I do not think I need to dwell at this time on what has happened since 1957. The Canadian people know only too well the differences between the years before 1957 and the years after, the lag in economic growth, in fact the outright decay and stagnation of our economic life, the startling increase in our rate of unemployment which, unfortunately, at times put us among those countries with the highest rates of unemployment in the world.

It is true that the time has come once again for a further clear cut and definitive statement of policy that full employment shall once again be a major aim of the government of Canada. But if once again we adopt this as a policy, I suggest that we must make sure that the policy is carried out in ways which continue to provide freedom of choice for workers in going from job to job, freedom of movement for those workers who want to move. As a basic aim, however, this aim of full employment is still as valid today as it was in 1945. Unfortunately, in spite of the manner in which this has been brought most forcefully to the attention of the people of Canada and the manner in which the people of Canada have brought their dissatisfaction with this state of affairs to the attention of the government, a dissatisfaction expressed most forcibly in the rather startling decline in seats now held by the government compared with after the previous election, we still see, in looking at the dominion bureau of statistics publication dealing with the labour force, that the unemployment rate in November of this year was 5.2 per cent compared with 5.4 per cent in November, 1961.

I mention this not only to draw to the attention of the house something which is all too obvious to all too many people in this country, but also to point out that statements of policy, whether in a white paper or in an act of this parliament as suggested by the last speaker, are really not enough. There has to be the will and desire to carry out and implement policies based on the basic policy to which I have referred. The bill of rights, to which reference was made by the hon. member who just spoke, is a good example of this particular point. It is on the statute books and reads very well, but we still do not have the achievement of all the basic rights that are supposed to be embodied in it. In fact, Mr. Speaker, I am sorry to say it even appears from time to time that the present government, which seems to take such pride in the passage of that act, ignores its precepts in carrying on their activities. Therefore I suggest that if you have an act of this type on the statute books it must be accompanied by the will and desire to carrry out the appropriate policies foreshadowed in a piece of legislation of this type.

I do not think it is necessary to discuss in detail the various parts of the resolution. Some of them are now before the house in other forms. In passing, however, I must say that I was interested to note the remarkable similarity of this resolution to the employment act of 1946 of the United States. I do not say this by way of criticism particularly. Certainly we have not reached the stage of perfection in this country that we can afford not to get good ideas from other places in the world, but I thought I should remark upon that in passing. In any event, Mr. Speaker, measures of this type are already before the house in other forms in one way or another.

But I do want to conclude my remarks by pointing out that full employment remains and even more than ever is a basic policy of the Liberal party today. Full employment in an expanding economy will be the first aim of the new Liberal government. So we stated during the last election, so we stated previously; and I do not think we can reiterate this basic principle of policy too often because I am sure we will have the first opportunity to put this policy into effect.

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I should like to take a few minutes to speak briefly on this motion. At the outset let me say that there is reference to such an act in the submission presented to the cabinet by the Canadian Labour Congress in March of 1962. It is in substantially the same terms as the resolution now before us in the name of the hon. member for Winnipeg North Centre (Mr. Knowles). However, there is no reference to such an act in the latest brief of the Canadian Labour Congress presented to the government last week. Perhaps in the interval they have had second thoughts about the efficacy of such a bill, or perhaps its omission from their latest brief may be connected with the fact that the hon. member for Winnipeg North Centre is no longer executive vice president of the Canadian Labour Congress. In any case, although the motion leaves a lot to be desired it is all we have to go on at the present time and the present discussion must, therefore, be based on the terms which the hon. member has seen fit to place before the house.

In a general way, before examining in detail the terms of the proposed bill, it is perhaps useful to consider the general principle of a bill to legislate full employment. It is, of course, in line with socialist thinking that by simply waving a legislative wand, as it were, all problems of the economy can be cured. Perhaps this is what they mean when they talk about planning, that it is merely a matter of putting legislation into effect to bring about those desirable objectives which we would all like to achieve and to eliminate all problems which are currently the lot of troubled humanity. Would it were that easy.

There are some problems that cannot be solved simply by saying "let there be light". At least, in the past they have only been solved in that manner through the possession of those divine faculties which the hon. member for Winnipeg North Centre has not yet given satisfactory evidence of possessing. In effect this bill, if passed, would simply say, "let there be full employment", and the minister would be in the position of reporting from time to time on the extent to which this injunction was being realized.

I have strong doubts, Mr. Speaker, that simply by passing a bill of this nature full employment can be created. If it were only that simple then, of course, all our problems would be over. If the bill obviously cannot accomplish what it sets out to accomplish, then what is its purpose? I am afraid that it would become simply another case of window dressing.

When you examine the resolution closely, Mr. Speaker, you will find that the hon. member has included a number of provisions which he would like to have in the proposed bill. They are in summary: First, clearcut recognition by parliament of the importance of full employment as a national policy. Surely, Mr. Speaker, there is not an hon. member in this house who does not favour full employment as a national policy. The only possible exception might be the hon. member for Davenport (Mr. Gordon) who, I believe in the course of some of his writings, has stated that a certain level of unemployment "helps to keep the economy flexible". That statement can be found on page 421 of the Gordon commission report. With that possible exception every member of the house, I am sure, has favoured the principle of full employment.

This is a proposal that, when looked at closely, will not provide one single job for one single Canadian, and from that point of view simply reduces itself to a form of legislative wishful thinking. I do not think parliament should be asked to approve legislation dealing with wishful thinking. I would suggest that if the hon. member has some definite and positive, some concrete and practical proposition to provide jobs, then he should bring it forward. Were he to do so, I feel he would get quite a bit of support. I do not think it can be done by the embodiment of a pious platitude in the form of parliamentary legislation. When the time comes that parliament indulges in this sort of phraseology as a substitute for hard, legislative action, then we will have gone a long way towards losing our effectiveness.

The second provision would require a declaration to the effect it is the responsibility of the federal government to take the steps that are necessary to provide and maintain a full employment economy. This is another of those vague generalizations. I would have been far more eager to support the hon. member's motion if he had told us specifically what those necessary steps are. I would contrast this with the program of the present government which, right from the beginning, has accepted fully the fact there was an unemployment problem in this country, has accepted fully its constitutional responsibilities, and has evolved specific measures to

deal with the problem. I would say that nine out of ten of those measures receive the unanimous support of this house when brought before parliament.

I would point out to the hon. member that the responsibility in this field is not solely that of the federal government. The federal government can act and has acted. Under our constitutional system, there remains a substantial field of provincial jurisdiction. I believe it was the present Liberal premier of Quebec who maintained during his 1960 campaign that unemployment was the responsibility of the province. I do not know what his stand is now since, unfortunately, unemployment in Quebec under that government is considerably higher than it is in Ontario and on the prairies. I believe it was the late Mr. King who, on one occasion, made the classic statement that there would not be one five-cent piece for those provinces which did not have Liberal governments in office. Presumably this is an example of classical politics, Liberal version. In any case, there are different viewpoints on this question of responsibility.

The hon. member's next suggestion relates to the establishment of a council of economic advisers whose only function apparently would be to make reports. Surely, the national economic development board would make this suggestion obsolete, even before it gets off the drawing board.

The final suggestion made by the hon. member relates to an annual report. In summary, therefore, the suggestion before us boils down to this; a declaration of full employment policy by parliament; a declaration by no one knows who to the effect that the federal government is responsible; regular reports from the advisory board and an annual report by a minister. No matter how I look at this bill, Mr. Speaker, I cannot see it as a vehicle to provide jobs. It is not in a class with the municipal winter works program; the vocational school program, which is providing training facilities on a national scale; the manpower adjustment measure recently introduced by the Minister of Labour (Mr. Starr); the Atlantic provinces development board which opposition members from the maritime provinces have been praising with such faint damns in the last few days, or the various other incentives and encouragements provided to industry and labour by this government.

As I say, it is a measure couched in vague generalities, embodying pious aspirations and hoping for the best. All I can say is that if we pass this bill at this time it would not result in one additional job for one single Canadian. Surely, that is the test. Let us not try to provide the public with window dressing. Let us either put forward the kind of practical, positive steps as the government has been doing, and which the house has supported, or let us refrain from taking up time.

I commend the hon. member's idealism, but certainly I cannot commend his realism in the matter. In conclusion, may I also commend to the hon. member the views expressed by Dr. Eugene Forsey at the founding convention of his party on full employment and regimentation.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I rise at this time to make a few observations on the measure now before the house. At the outset, I should like to say that the objective I believe is in the mind of the hon. member for Winnipeg North Centre is indeed very commendable. His objective is to realize the desirable goal when everyone will be assured the opportunity of gainful and productive employment. As we consider that objective I am sure, as the hon. member who has just taken his seat has said, everyone in this house would agree with it. However, as we look at it there are a number of criticisms I should like to make, and I would make them I trust not in the spirit in which some criticisms have been levelled this afternoon. I want to make them as constructive as possible. I should like also to raise some questions with regard to the various sections that are in the motion.

The problem that faces us at the present time, a problem that has faced us over the years, causes us to consider the best methods and means by which we can assure the people of Canada the opportunity of gainful employment, to assure to them the possibility of meeting their own needs and the need of their families from an economic point of view. There are those who can look back to the years when this objective was far from possible even for the majority of Canadian citizens. Those were the years when dire poverty stalked the land, when the morale of the people was broken down because of their inability to provide for themselves and their families. I am sure that none of us anticipate a recurrence of the situation that faced us back in the thirties. Nevertheless, we are faced with a situation where, year after year, a considerable percentage of our people are unable to find productive and gainful employment.

I believe that this is wasteful when we consider the tremendous possibilities and the potential of this nation of ours. When we consider the needs of our people and the needs of other people, as has been pointed out by the hon. member who introduced this measure, we would say it is wasteful when people are unable to find an opportunity to

employ their time and their energy in productive enterprise, and make their contribution to society in the way they would like to make it. Not only is it wasteful but it is demoralizing as well, because I am still convinced that by far the greater percentage of Canadian people would rather provide for their own needs than have agencies, organizations or governments provide for them.

They are only asking for an opportunity to use their skills, their brawn and their brain to provide for themselves and for the needs of others. So I say that this bill before us now is commendable in that it points forward towards the realization of that goal when everyone will be assured of the opportunity of gainful and productive employment. However, I would raise a number of questions concerning the measure put forward to deal with the situation.

In the first clause, it suggests that there must be a clearcut recognition by parliament of the importance of full employment, in other words a national policy of full employment. I should like to ask the hon. member, what is full employment? What does he mean by full employment? In order to have full employment, is it required that everyone work so many days a week or so many hours in a day? Does full employment mean adequate work, sufficient work to enable a person to provide adequately for himself and others who are dependent upon him? Sometimes we refer to what we call the problem of automation. Unfortunately, so far as information is concerned at the present time, it would almost seem as though automation is the problem. I suggest that it should be a blessing when people can be relieved of the drudgery of manual labour and can spend at least a certain percentage of their time in cultural and other pursuits, developing their personalities, and making contributions not only in the field of economics but in the field of arts and so on. It seems to me this is a very desirable objective to attain.

In connection with the question of full employment I would like to ask what is full employment? As I said, is it so many days a week, so many hours in each day, or is it sufficient labour to produce the goods and services that are required with the workers receiving for themselves adequate returns commensurate with their contributions?

The next clause speaks about the role of the government and suggests—

> —a declaration that it is the responsibility of the federal government to take the steps that are necessary to provide and maintain a full employment economy.

I do not know just how far the hon. member would go in applying this particular clause. He states that it is the responsibility of the government, but I do not believe it is the responsibility of government to give everyone a job. I do not believe it is the responsibility of the government to expand its services and engage in projects and all these different activities in order that it can employ more and more of the Canadian people. In contrast, I suggest the responsibility of parliament and of the government is to create a climate in this nation that will enable industry and business to move forward and produce the goods and services that are required in abundance sufficient to meet the needs of the people of Canada and of other nations. The responsibility of the government is to create an economic climate where business, industry and commerce can work and thereby provide gainful opportunities to the people of the nation.

The next clause in the motion speaks about the establishing of a council of economic advisers. The hon. member has indicated that he does not believe there would be any overlapping of responsibility between this and other activities that have already been considered in this house; but I would suggest that, in view of the fact we have so many other matters under consideration for setting up boards, commissions, committees and so on to consider these various factors, this would be a duplication of those other bodies. I just refer to one, the industrial change and manpower adjustment measure. The appointment of a council of advisers, such as indicated by the hon. member for Winnipeg North Centre would be a duplication of activities and interests that will be considered with respect to that measure.

Once again we raise the question as to how many of these boards, commissions and committees we are going to have in order to get our economy moving and meet the changing situations of our nation. I do not think this council would be necessary in order to achieve the desirable objectives we have in mind.

So, Mr. Speaker, we support the principle of adequate employment for our people. We support the idea that everyone who desires it should have the opportunity and privilege of engaging in gainful employment. We agree with that; but so far as some of the measures that are proposed to reach that objective are concerned, we have some questions in our minds.

I come back once again to one of the basic proposals of our group. I know it has been raised on a number of occasions and so far it has not gained universal support, but we

still maintain that if we are to meet the challenges and problems facing us at the present time the government must accept responsibility to introduce measures to bring into being a financial system adequate to meet the changing situations as we find them today. That would require that adequate means be provided whereby purchasing power will be placed in the hands of the Canadian people, supplementary to wages and salaries, and that will bear a proper relationship to our production.

We believe and insist that if this were done, and goods and services moved to the people who require them, then we would achieve the objectives outlined by the hon. member for Winnipeg North Centre; because if this is done, then the wheels of industry and production will continue in motion, more men will be employed, wages and salaries will continue to rise and all our people will share in the national prosperity. I do not raise these questions or issues in any critical manner. We believe the objective is good, but we have reservations with regard to the means that are being proposed to remedy the situation.

Mr. W. B. Nesbitt (Parliamentary Secretary to the Minister of Trade and Commerce): Mr. Speaker, I have read with great interest the motion by the distinguished hon. member for Winnipeg North Centre, and I think one might safely say that this is really an over-all attempt to legislate full employment in one fell swoop, so to speak. This motion is very much like being against sin. It is something we are all in favour of in principle and I do not think any member of the house could possibly oppose it.

Mr. Patterson: In favour of sin?

Mr. Nesbitt: Against sin. I am sorry if the hon. member for Fraser Valley (Mr. Patterson) did not understand what I meant. He is very much against sin and likewise I am sure are most other hon. members. But I would say, as I have already mentioned, that while I am sure every hon. member would agree with the principles behind this motion, I feel that it suffers a little bit from being vague and rather generalized, and because it fails to set out any positive recommendations.

I also think the motion is redundant because there are a number of pieces of legislation now before the house, indeed some that have already been passed by the house this session, which cover to a considerable extent what the hon. member for Winnipeg North Centre has in mind.

There are one or two other points I would like to deal with specifically. Some hon. members have already touched on them. One is paragraph (b) of the motion which suggests—

> —a declaration that it is the responsibility of the federal government to take the steps that are necessary to provide and maintain a full employment economy.

I cannot help feeling that this particular section of the motion could not avoid running into constitutional difficulties at some time or another. It reminds me very much of a case back in the thirties, a very famous case before the Supreme Court of Canada, the labour convention case, where Canada agreed at an international convention to carry out certain reforms in the field of labour in Canada and then found, when the delegates came home, that they did not have the constitutional authority to do it because that power, of course, lies with the provinces. For this reason I feel that any catch-all bill, no matter how well intentioned it may be—and as this one undoubtedly is—dealing with the question of employment purely on a federal basis would run into that type of situation sooner or later, and very probably sooner.

There is another matter in paragraph (b) of the motion which has been discussed by the hon. member for Fraser Valley, and that is the question of what is meant by full employment. Full employment is one of those catch-all terms that has become coined and used in our vocabulary in modern times. It is like "disarmament". Nobody can explain exactly what disarmament means, and likewise I do not think anybody can explain what full employment means. Full employment means one thing to one person and another thing to another. For instance, I think the idea of the hon. member for Davenport (Mr. Gordon), who is so frequently quoted in this house one way and another, is that we have full employment when 4.5 per cent of the labour force is unemployed. Another person—I believe it was Mr. Claude Jodoin, but I may be mistaken and no doubt the hon. member for Winnipeg North Centre will correct me on this—stated to the trades and labour congress—

Mr. Byrne: On a point of order, Mr. Speaker; I am sure the hon. member for Davenport did not say that unemployment of 4.5 per cent of the labour force would constitute full employment.

Mr. Nesbitt: I do not really think the hon. member for Kootenay East believes that is a point of order at all. However, Mr. Speaker, I qualified my remarks—

Mr. Byrne: I think what he said—

Mr. Speaker: Order. The hon. member cannot take the floor. He may only rise on a point of order or to seek to ask a question.

Mr. Byrne: On a question of privilege, Mr. Chairman, I am sure the hon. member is misquoting the hon. member for Davenport when he says that.

Mr. Speaker: Order. If the hon. member for Davenport wishes to appear in the debate, that is up to him. For an hon. member to suppose that there may be a misquotation hardly raises a question of privilege. It is a point of argument.

Mr. Byrne: It being near Christmas, Mr. Speaker, I thought the hon. member would like to be a little more charitable.

Mr. Nesbitt: Mr. Speaker, I am not in the least interested in the viewpoint of the hon. member for Kootenay East. I would point out, however, that I qualified my remarks; I said that I believed this was the figure stated by the hon. member for Davenport. I have not the slightest desire to misinterpret the hon. member, but I believe that is the figure. I was speaking off the cuff; it may be a little more or a little less, but I think it is approximately that figure. I notice that the hon. member for Kootenay East, in trying to be so helpful did not make any attempt to offer information as to what the figure might be.

To get back to where we were before the interruptions, I would like to say that this question of full employment is a matter of opinion or interpretation. Some people feel that when 2 per cent of the labour force is unemployed, this constitutes full employment, and some people think it is more. No two people seem to agree exactly. I hoped that when the hon. member for Winnipeg North Centre was speaking on his resolution he would give us some idea of his interpretation of the percentage.

Mr. Speaker, I see that time is getting on and I know other hon. members would like to express their views on this resolution. Therefore I will conclude my remarks by saying that I think the problems of unemployment must be dealt with by measures that are realistic and positive, and where we can see some results in the immediate future. I would commend to hon. members some of the legislation that has been presented to this house by the present government over the last few years, and in particular during the current session. I refer, of course, to the Atlantic development board measure, which has been passed, and particularly to the national economic development board measure, which is now before the house. This development board must certainly encompass some of the suggestions that the hon. member for Winnipeg North Centre has in his resolution. Then there is, of course, the bill standing in the name of the Minister of Labour (Mr. Starr) dealing with manpower adjustment in the face of automation. In conclusion, Mr. Speaker, I should like to impress upon hon. members of the Liberal party in particular that if they were to stop conducting the filibuster in this house and get along with the legislation, something positive might be done about this problem.

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, the hon. member for Halifax (Mr. McCleave) a day or two ago said outside the house—if I may be permitted to refer to this question—in speaking to the Conservative women's organization, that the Liberals read speeches prepared in another office. I am not sure who prepared the speech for the hon. member for Cape Breton North and Victoria (Mr. Muir) but I must say that he read it well.

The hon. member for Winnipeg North Centre (Mr. Knowles) has again come forward with one of those resolutions that would give the impression that the socialist party has the elixir for all national problems. That, of course, is not true. The Liberal party, as has been pointed out by the hon. member for Essex West (Mr. Gray), has had a full employment program throughout the years. In 1956 we had very close to full employment. It was pointed out by the hon. member for Fraser Valley (Mr. Patterson) that the important thing, after all, is production and the amount of goods and services which can be purchased by a minimum amount of work.

Even the Soviet union, the nation that is truly socialized, has come to this conclusion. At the present time Mr. Khrushchev is advising his people to go to the free enterprise system to find out how production can be increased and maintained. Socialist planning does not have all the answers; this is the point I want to get across before sitting down, to give us time to vote on this matter. The socialists do not have all the answers, despite the "holier than thou" attitude, which they adopt in respect of almost all questions that arise in this house. That is all I have to say, Mr. Speaker, and I will resume my seat in order to give the house an opportunity to vote on this question.

Mr. R. J. McCleave (Parliamentary Secretary to the Minister of Public Works): Mr. Speaker, I am glad to see that my remarks outside this house are read by old women of both sexes.

Some hon. Members: Oh, oh.

Mr. McCleave: I meant to say, by women of both sexes; and now I am really in hot water and I make my apologies right, left and centre. If I ever come back to Ottawa again, sir, it will probably still be too soon for my own safety.

I believe this is the first time that a resolution of this nature has been debated anywhere in Canada since the founding convention of the New Democratic party, in which Dr. Eugene Forsey, one of our most respected economists, disagreed violently with the thesis that underlies this resolution, that is, a state program for full employment. I think in making his remarks to that convention Dr. Forsey pointed out that if such legislation were to be enacted by a socialist parliament, the members of that socialist parliament would find a line up of job applicants stretching from outside their doors in Ottawa all the way to the St. Lawrence river. The weakness, as I say—

Some hon. Members: Six o'clock.

Mr. Speaker: Order. The time allotted to the consideration of private members' business having expired, the house will now revert to the business that was interrupted at five o'clock.

(Translation):

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

At six o'clock the committee took recess.

(Text):

AFTER RECESS

The committee resumed at 8 p.m.

(Translation):

Mr. Sevigny: Mr. Chairman, when you called it five o'clock, I had almost concluded my speech.

In the course of my remarks this afternoon, I insisted on the positive need for the two great races of our country to try to understand and know each other better.

It seems it would be relatively easy to find an answer to this dilemma if we could, through the setting up of a body, either here, within parliament, or outside this house, call upon experts in this field, both in the federal civil service and in the management of crown companies, to look carefully into all aspects of the participation of the two main racial groups of Canada in the administration of the country. The important thing is to find a simple formula which would enable us, precisely because of its simplicity, to settle this matter promptly and definitely from all points of view.

In my opinion, the whole matter should be considered immediately, because the uneasiness resulting throughout Canada from the differences that separate us, we of French Canada from our fellow citizens of English Canada, threatens to grow rapidly to disastrous proportions for our way of life.

Mr. Chairman, during the campaign which preceded the election of June 18 last, it was easy to realize that a feeling of concern existed among the people in general. Through interviews on radio and television, the public was consulted in relation to that problem, because it was of interest to all voters. To the questions "What is your interest in this federal election? What do you expect from the party that will be elected on June 18 next?" Quebec voters answered three times out of five and perhaps more often: In the first place, we want national unity to become a reality; we want a distinct national flag under which we can unite; we want a national anthem about which we can become enthu-

siastic; we want some way to get along better, to understand each other better.

In fact, this only confirmed a personal opinion I have had for some time because some ten months before the general election I had a fairly thorough survey of public opinion made by very responsible friends in my own riding. In that survey, I asked the question: "What do you expect from the federal government?" And most voters in my riding, who represented more or less all classes of voters to be found in any urban riding, had in fact answered that what interested them most of all was the adoption of distinctive symbols which could give the Canadian nation its sovereignty and at the same time provide for that better understanding which is asked for nowadays.

That is why I believe that the solution to this problem is that we, the federal government, must consider it with the provincial authorities. Furthermore, it will have to be studied through a simple body to be established here by the federal government and which will find the necessary formula to study all its aspects in order to find the formula so much desired and so desirable. In that way, we shall learn to know each other better and thereby we shall have more consideration for each other.

Mr. Chairman, there is in Canada something incomprehensible. As a matter of fact, if we take a look at what happened to our mighty neighbour to the south, we find that Americans, whatever their ethnic origin, whether they be of English, French, Italian, Jewish or other descent, have all rallied around the symbols of national sovereignty and to everybody who asks, they say: "I am an American." That does not mean that they have lost the characteristics one relates to their respective origins. But one thing is certain. They have all assembled around those symbols, whatever part of the country they may come from. Indeed, they are Americans first and foremost, that is before being loyal to their land of origin.

It is essential that this extraordinary unity and this national pride which exist among our neighbours to the south, both of which have made them so powerful, be found here in our country. It is worthy of note that, at this moment, all members of this house, be they from the government party to which I belong, from the Liberal opposition to which the hon. member for Laurier (Mr. Chevrier) belongs, or from the Social Credit opposition to which the hon. member for Lapointe (Mr. Gregoire) belongs, are trying to unite, to join forces and to find a formula which, by going above and beyond political partisanship, will indeed become a formula for national patriotism, a formula which will enable all Canadians to develop and prosper; in short, a formula which will perhaps do away, once and for all, with each and every one of those unfortunate dissensions which have hurt us in the past, which threaten us now and which must be eliminated for the best interests of the Canadian nation.

(Text):

Mr. Knowles: All of us in this House of Commons cannot but welcome the statement made this afternoon by the Leader of the Opposition. He dealt with a very important issue. He dealt with it in a thoughtful and constructive manner. I would say that we also welcome the response which has been made by the Associate Minister of National Defence. I dare to hope that, as a result of this kind of thoughtful discussion of an important problem, we can make some headway in dealing with it.

We, as members of the New Democratic party, support wholeheartedly the proposition that every effort must be made to establish mutual respect and equality between the two great races that brought this country into being. We feel that it is not only a matter of according rights and adjusting certain grievances that have grown up, but that it will add to the richness of life in this country if we can further the binational, bicultural and biethnical heritage which is already ours. This was the position this party took at its founding convention in the summer of 1961. I am happy to remind hon. members that a few months later the leader of the New Democratic party, my colleague the hon. member for Burnaby-Coquitlam, called for the appointment of a royal commission to study all aspects of this feature of our national life.

I say again that we welcome speeches of the kind made this afternoon. We hope this indicates we are turning a bit of a corner with regard to this problem and that instead of its being one about which nasty things are said, it might be one to which we shall apply our constructive efforts.

I rose to take part in this debate, however, intending to base what I had to say mainly on the words used by the Minister of Finance when he opened this debate on December 12. The words in question are to be found at page 2590 of *Hansard* of that date, at which time the minister said:

Mr. Chairman, I can give the usual assurance which all ministers of finance give at this time,

that the passing of this bill will not prejudice the rights and privileges of hon. members to criticize any item of the estimates when it comes up for consideration in committee of supply, and the usual undertaking that such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure.

Let me read again the last few words of that undertaking given by the Minister of Finance:

—such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure.

I am fully satisfied that the Minister of Finance gave that undertaking in good faith. I am fully satisfied that when he gave it he meant it. I am equally satisfied that this undertaking will not be kept. I make the flat prediction that this fiscal year 1962-63 will pass without our having the opportunity to deal with the estimates, a portion of which we are now being asked to vote by way of interim supply. I suggest that this is more than just a procedural point. This is something which is leading into a crisis, so far as the operations of the parliament of Canada are concerned.

As the Leader of the Opposition pointed out in an opening sentence this afternoon we are, in this interim supply bill, being asked to vote the tenth twelfth of the revised and supplementary estimates for the fiscal year 1962-63. At this point, however, we have not voted in committee of supply a single one of the main, revised or supplementary estimates. This money we are now voting is for the month of January.

This Thursday night at ten o'clock we are supposed to adjourn for a Christmas recess. We do not meet again until Monday, January 21. By that time we shall be approaching the month of February and it is inevitable that, within a few days after we return, the Minister of Finance will come down with another interim supply bill in which he will seek money for the month of February, 1963. In that instance he will be asking for the eleventh twelfth of the estimates before this House of Commons, and in all probability at that point we shall still be exactly where we are now in that not a single item of the estimates themselves will have been passed. On that occasion no doubt he will again give us the assurance that the passing of that interim supply bill will not curtail or restrict our right to discuss the main estimates.

However, Mr. Chairman, even if the House of Commons is not dissolved and an election is not brought on, even if we stay here, the weeks of February will come swiftly and before we know it we shall be approaching the end of that month, and we shall be faced with the question of whether or not we are going to give the government its twelfth twelfth of the year's estimates.

At that point other questions will arise. At what stage shall we be with respect to the estimates as a whole?

As hon. members are aware, the rules of this House of Commons require that in each session of parliament there shall be six supply motions with Mr. Speaker in the chair. Unless all six of those motions are put, debated and carried, it is not possible to get all of the main estimates opened in committee of supply. Thus far we have had only one supply motion in this session of parliament. It will take five more supply motions, each of which can be debated for two days, just to get the departments of the government opened in committee of supply. It takes no expert calculation to realize that, in the light of that situation, it is utterly impossible to get the estimates passed before the end of February in order to vote the supply bill, or before the time will come when the minister will want his twelfth twelfth.

What is this house going to do when that point is reached? I hear noises from across the way that this is the last time the Social Credit group is going to vote for an interim supply bill unless, of course, the government does certain things in the meantime. But I say to my hon. friends across the way, despite their saying that they are not going to vote further money, I say this to the Liberals and I say to all of us that the point gets reached where parliament is boxed in. The point gets reached where the administration of the affairs of the country has to carry on. Salaries have to be paid and the withholding of the actual money to carry on the essential services of the government is something that this parliament may find it is impossible to do.

So what happens when that point is reached? I suggest that either one of two things will happen. Either the government will come before us with some kind of omnibus bill asking us to vote all the estimates in one swift action because by then the government will argue it is time to start talking about the estimates for 1963-64, or because parliament stands on its feet and because parliament seeks to debate these items there will either be prorogation of the session so the government can use governor general's warrants or there will be dissolution and an election. I do not know which of these various courses is going to be followed, but I do know that no matter which one of them is pursued we are going to witness the fiscal year 1962-63 as one in which parliament and

the House of Commons in particular did not have its traditional, its constitutional right to discuss the items in the estimates as the Minister of Finance on December 12 assured us we would have. Not because there was anything lacking in the assurance he gave, but rather because of the time that has been taken with a long summer interval when there was no session of parliament and the failure of the government to organize the business of this session, we are going to be in the position where one of the main rights that is supposed to belong to parliament will have been lost.

That main right to which I am referring is parliament's control over the purse strings. That is what we are supposed to have, not the kind of government in which the executive makes all the decisions and spends all the money but the kind of government we are supposed to have is one in which, whatever else the executive may be able to do by order in council, by executive action, control of the purse remains with parliament itself. We are going to lose that control in this fiscal year 1962-63 either by the passage of time or by dissolution and an election.

I submit that this is more than what some people sometimes call just a procedural question, and it is more than just a political question with regard to whether or not there is going to be an election. I submit that this is a serious situation which points up that the authority and the rights of parliament are being downgraded, are being whittled away, by the way in which things have been going in the last little while, particularly in this session.

I have taken the trouble to spell out what is happening to us in terms of the estimates to portray what I believe to be the situation we face, in that we are getting to the point where the government of this country is entirely an executive operation rather than something in which the authority of parliament really plays its part. This, Mr. Chairman, is just one phase of this session which points up the fact, but I submit it points it up very dramatically. If we go on, if we get another of these supply bills for an eleventh twelfth and another for a twelfth twelfth, it will be pointed up so that everyone in the country will be able to see that parliament's control of the purse strings has been taken away.

This is not the only thing that has happened in this session. We have had difficulties regarding a budget, and just as I said that we would go through the fiscal year 1962-63 without a full discussion of the estimates—in fact, we may go through without finally voting any estimate in committee of supply—so we shall go through the year 1962-63 without a formal budget debate, without an opportunity to discuss in the traditional way the budgetary policies of the government of this country. I need not spell it out at length because we have done so on other occasions when we have had the opportunity, but some of us feel that even the power to impose taxation has been taken away from parliament and exercised by the executive because of the way in which customs surcharges were imposed on June 24 by an order in council.

What I am underlining in all of these things, Mr. Chairman, if I may use the same language again, is that it is not just a matter of a point of order being got around, but rather that what is happening is that the authority of parliament, the place of parliament in the government of this country, is being downgraded. This very debate is one that is bringing out the frustrations that this session of parliament has experienced. We had a very interesting speech the other day by the hon. member for St. Antoine-Westmount on the subject of national defence. Whether or not one agrees with his conclusions is another thing, but the point is he had to choose this debate on interim supply to have a discussion on this subject, and no doubt before this debate is over others will make a contribution to that subject. This simply turns the searchlight on the fact that in this critical time in our nation's history, in this critical time in the world's history, the parliament of Canada has been given no proper opportunity to discuss defence policy or external relations.

This afternoon on motions we had a bit of a discussion when the Secretary of State for External Affairs spoke on his trip to NATO and there were comments from the leaders of the other three parties. Then we had attempts on the orders of the day to get certain information about nuclear policy and other aspects of external policy. But here we are, Mr. Chairman, in the third month of this session of parliament without parliament itself having had any opportunity to discuss these terribly important questions of defence policy and external policy. Even the chances we have to question the ministers are very limited and the answers that we get, for example the answers the Prime Minister gave today, suggest that somehow or other this government feels that this is an executive preserve. The government will make the decisions and when announcements are made, be they announcements of policy or changes in policy, they will be made known to the house and to the country.

We are not in the kind of state, Mr. Chairman, where a small group is elected to run things. We have a parliamentary form of

government. This country elects 265 people to be their representatives, to be their parliament, to which the government is responsible. Yet opportunities for discussion of important matters such as I have just named, estimates, a budget, taxation, external affairs, defence, have been completely denied to this first session of this twenty fifth parliament. Rumours that are flying around suggest that anything could happen, that parliament itself could end without anything of this sort having been discussed. Even if parliament does not end, to come back to the prediction I made earlier, we are going to see ourselves going through the fiscal year 1962-63 without parliament really being in the picture so far as these issues are concerned. Oh, we have a government and the government is making decisions. The government is passing orders in council. The government is staying in power. The government is keeping things going. But this, Mr. Chairman, has the effect of downgrading parliament, robbing parliament of its authority, of the role it is supposed to play in the life of our country.

I submit, Mr. Chairman, that this issue is bigger than the question of which party is in power. My hon. friends of the Liberal party do not need to sit back and enjoy the fact that perhaps I am roasting the present government a bit, because when they were on the government side their record was not too good on the subject of maintaining the authority of parliament. When they had something they wanted to put through their motto was, who can stop us? What I am complaining about is that the damage the Liberals did to parliament is not over. This attitude, who can stop us, is still with us. We still have a government that is acting by executive authority and treats parliament as a nuisance, a debating society that has to be called into session but which has to be kept from making any decisions on major matters such as estimates, the budget, external policy, defence policy and so on.

Mr. Pickersgill: And taxation.

Mr. Knowles: I included taxation before. Let me go on. During the last four or five years some of us believe this government made significant and serious changes in policy regarding two crown corporations, the Canadian Broadcasting Corporation and Trans-Canada Air Lines. We do not like the changes in policy that the government made during the years 1957 to 1962. On June 18, 1962, there was an election and the government that had been in power for the last four years with a clear majority received a minority of the popular vote. I do not suggest that everybody who voted against the government disagreed with it on every matter of policy that was before the country at that time. I do suggest that the policy pursued by the government in at least those two areas, the question of what is being done to the Canadian Broadcasting Corporation and the question of what is being done to Trans-Canada Air Lines, should not continue to be pursued wtihout being discussed in parliament.

Have we had any opportunity of discussing questions relating to radio and television broadcasting? Have we had any opportunity of discussing questions relating to the air policy of this government or to transportation policy in general? Oh, questions have been asked on orders of the day. The reports of the Canadian National Railways and Trans-Canada Air Lines have been before the committee on railways, air lines and shipping. There have been one or two little bills regarding branch lines; but in the main, so far as policies affecting these two areas of our national life are concerned, there has been no opportunity to discuss them at all.

We think what is being done to the Canadian Broadcasting Corporation is bad for Canada. We think it was one of the things which, before it was interfered with by the recent changes, was something of which we could be proud as a nation. It was something distinctively Canadian. It was something that added to our sense of national unity. The extent to which recent changes of policy have changed that picture alarm us. At this point I am trying to debate the issue, Mr. Chairman, or any of these issues. I am simply making the point that no opportunity to discuss these matters has come before this house.

My hon. friend who interrupted me, if I heard him correctly, says that we can discuss them now. Of course, we can discuss anything now, and that is what is happening in this debate. This is the reason this debate on interim supply which was started last Wednesday, the kind of debate that sometimes takes a couple of hours, is already now in its fourth day and may go two or three more. We have had no opportunity to discuss these things in the way in which parliament can express itself in terms of making decisions. The Columbia river situation has been brought into the debate because the government has failed to bring the treaty before parliament. Hon. members have had to take advantage of this debate to discuss that subject. The question of investigations by the Royal Canadian Mounted Police has been raised because we have had no chance to discuss it in a formal way so that decisions could be made. We have had to discuss that subject in this debate on interim supply.

I do not know how many other questions may yet be raised before this debate on the granting of the tenth twelfth of interim supply is completed. All of this, Mr. Chairman, as I say could be classed as a procedural complaint. People may say, as some member did a moment ago, we can talk now if we want to do so. What it points up is that this is a sterile session of parliament in which we can talk the number of hours that are allotted to us but in which we are being denied the right to make decisions on matters that are of real concern.

One of the matters that is concerning Canada today is the whole question of health and health services. I know there are some members who thought that at the time a certain battle was taking place last summer interest in this whole question would subside. However, interest in it has grown since then, instead of subsiding. The fact of the matter is that in this session of parliament we have had no chance to discuss health insurance or the related subject of social security. I have tried on orders of the day to raise the question of what is happening in respect of the proposed amendment to the British North America Act to provide for contributory pensions. I think I have the record for monosyllabic answers; I get yes or no to this or that. We have had correspondence tabled, but it all adds up to a pretty clear indication that nothing is going to be done at this session in the important field or social security. We have a motion on the order paper which will not be reached. After all, only eight of the provinces have agreed to it and at least one of the provinces, perhaps more, suggested that if you cannot get this amendment through at least do something about raising the old age pension from its present level to $75 per month or some such figure as was promised in the election campaign.

Do we get a chance to discuss this? Do we get these things brought before us? No, we get the stock answer from the Prime Minister and other ministers of the government, if and when government policy is decided upon it will be announced in the house. It all adds up to this body of 265 men and women elected by the people of Canada to represent them here, the body to which the government is responsible, being just a debating forum. The newspapers are doing that; radio and television are holding their forums. These things are taking place. Indeed, the same job is being done that we are doing here.

The Chairman: I am sorry to interrupt the hon. member but I must inform him his time has expired.

[Mr. Knowles.]

Mr. Knowles: Thank you, Mr. Chairman; I should like to come back later. Meantime, I hope something will be done to restore to parliament its authority.

(Translation):

Mr. Caouette: Mr. Chairman, listening to the hon. member who has just resumed his seat, we could not help thinking that he was just repeating what we have been saying in the house since last September. He took half an hour to do that.

Before coming to the point of my remarks, I feel it is my duty to express, on behalf of the members of this group and of all hon. members, our most sincere condolences to the families of the two policemen who were shot down in Ville St. Laurent. Notorious bandits, disguised as Santa Claus, cold-bloodedly shot down at close range officers Claude Marineau and Denis Brabant while they were on duty. It will be a sad Christmas indeed for the wives and six children of the two murdered policemen.

After such barbarism in a Canadian city, namely Ville St. Laurent, I wonder what some hon. members think now of the abolition of capital punishment.

On many occasions, we have heard urgent pleas for the abolition of capital punishment for murderers. And yet, in Montreal, a few days ago, that is last Friday, December 14, four notorious bandits killed two policemen on duty.

I congratulate the federal authorities as well as the Minister of Justice (Mr. Fleming) for maintaining the death penalty in Canada, to punish that kind of people, those despicable individuals who go about not only in the city of Montreal, but also in Toronto, and elsewhere in Canada, and against whom there is no protection. The government is well-advised to protect society against such individuals.

The murders committed last week are of a kind to rouse to indignation the whole population, and we should of course take steps to prevent the recurrence of such crimes.

Mr. Chairman, I have said enough on this matter. I believe the members of this house are unanimous in their desire to offer their condolences to both bereaved families and particularly to the children who will always bear in their mind the picture of Santa Claus killing their father. Let us have a thought for them and let us hope that such

terrifying things will not occur again within our borders or in any of our provinces.

Mr. Chairman, this afternoon, I listened to the magnificent contributions of the hon. member for Lapointe (Mr. Gregoire), the Leader of the Opposition (Mr. Pearson) and the Associate Minister of National Defence (Mr. Sevigny), who reiterated in this house what has been said in many instances over the years.

I commend those who contributed to the discussion this afternoon, because they kept the debate free of any partisan and political considerations.

The Social Credit group in this house will do all it can to help achieve any measure of Canadian unity—that understanding between the two great Canadian cultures—without using it as a political football.

In my opinion, Mr. Chairman, members of all parties have kept the discussion, this afternoon and tonight, above those partisan and political questions. Indeed, I believe that the Leader of the Opposition delivered this afternoon his best speech since he went into active politics.

In recent months, I had the opportunity of visiting all Canadian provinces. I was surprised to find as much among my Anglo-Saxon and English Canadian fellow citizens as among French Canadians, a wish, even a need, to feel joined and united together. I went to British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario, and especially in the province of Ontario, which was described throughout Canada as an inaccessible province, I was able to meet 2,000 students of the University of Toronto. I also met members of the Ontario junior chamber of commerce, in Toronto more exactly, who were tactful enough to introduce me in French to an all-English audience. How pleasant it is for a French Canadian to go to Toronto and to be introduced in his mother tongue to his English speaking fellow citizens who do not understand perhaps a single word of French. I also had the opportunity of meeting 300 or 400 young engineers in Toronto. Last week, I met colleagues from Sales Advertising, in Guelph, about 60 miles from Toronto, and there again the master of ceremonies was glad to introduce me in my own language, in French.

As a colleague, the hon. member for Lapointe said this afternoon, French Canadians are looking for and want a real understanding in Canada. They are not French Canadians, no, they are Canadians. They are Canadians who recognize the existence of the two cultures which enabled Canada to be what it is today, what it will be tomorrow, what it will be in the future if this understanding between the two cultures exists in this country of ours.

I would blame myself if, at this stage, I did not congratulate the government of Ontario from the bottom of my heart, for introducing a bill which provides for the teaching of French in Ontario schools at a higher grade than was the case only a few weeks ago. Recently, I met people from western Canada—people of 45 or 50 years of age who told me quite frankly that, if 30 years ago somebody had suggested they learn French, they would never have done so, but who today regret not having learned it. Well, even at that time, we, in our own province, were glad to learn English from the second or third grades, that is from the time we were seven or eight years old, so that, at the age of 20, 25, 30 or 35, we could go anywhere in Canada and express ourselves in the mother tongue of other Canadians in any province.

We are proud of this achievement and we are convinced that English Canadians would get exactly the same satisfaction if they had done the same, and my own conviction is based on the reception given me all across Canada.

We want a united Canada and the closer we are together, as this great country of ours pursues its destiny, the better can this mutual understanding on a national scale become a reality.

As the Leader of the Opposition was saying this afternoon, we have been misunderstood by English speaking Canadians. French Canadians have been misunderstood.

In the province of Quebec, as we all know, the Anglo-Saxons, the English speaking Canadians receive exactly the same treatment as the French Canadians, in every respect: education, church, public assistance to schools, etc.

In the city of Montreal, English speaking Canadians are treated exactly the same as French Canadians, and it is the same in Quebec city, or in Rouyn-Noranda, where I live.

That is what we are asking for: that same understanding all across Canada. To that end, we suggest, as the Leader of the Opposition (Mr. Pearson) indicated this afternoon, the setting up of a department of federal-provincial affairs which would allow provincial authorities to meet and to know each other better.

We realize that in this very House of Commons, because when French and English speaking Canadians meet here, they get along perfectly well together. The same thing could be carried out on a national basis for the welfare of the whole Canadian population, and not only in one particular part of the country.

That is why, Mr. Chairman, the Social Crediters want to do their share without playing politics. I repeat what I said at the outset of my remarks, not to play politics. I repeat that all parties have kept above partisan considerations because we recognize that before being Liberals, Conservatives N.D.P.'s or Social Crediters, we are Canadians and it is as Canadians that we are responsible to the people we represent here in this House of Commons.

Mr. Chairman, national unity and friendly understanding can come true. All we need is good will, and my deep conviction is that we shall succeed.

We had our failures in the past. True, we have played politics instead of trying to understand each other. However, we were not so successful in achieving the purpose of our existence as Canadians.

Mr. Chairman, there have been internal divisions in the past between one racial group and another. That was mostly due to our economic system which prevented one group from developing and progressing at the same rate as the other. Both groups suffered from exactly the same misgivings, made the same mistakes and lacked the same things.

It is no use talking about unity which cannot be realized, but there is one sphere in which we can achieve unity, that is the economic sphere. Everyone including the Prime Minister, the Leader of the Opposition, and indeed, all members of parliament, have heard it said throughout the Canadian provinces that 80 per cent of our economy is in the hands of foreigners while we control the remaining 20 per cent.

Yet, it is the Canadian people who are working and building. Canadian materials and products are being used for the development of our country and no solution is being found. We have solutions for practically any problem. We tackle all kinds of problems but we are doing nothing about the most important problem of all, that of money and credit in Canada.

A few days ago, an hon. member of this house set out to attack Social Credit, as if one could expect anything else. I am speaking about my friend, the hon. member for Beauharnois-Salaberry (Mr. Laniel) who accused the Prime Minister of acting—

—in complicity, now with the Social Credit party mostly, now with the New Democratic party.

He added:

It is shameful all the same, Mr. Chairman, to act in collusion with a political party which merely wants to lead our country to ruin—

There, he wanted to name Social Credit, but he was a bit shy.

Mr. Chairman, I see the hon. member for Niagara Falls (Miss LaMarsh) applauding, without quite knowing why. It is a habit of hers.

—without its having the courage to inform the population sufficiently on its policy of crazy money—

Mr. Chairman, I underline the words "crazy money", because the hon. member refused to do it.

—its system of dividends for all—

That is funny. A system of taxes for all, that is more serious, of course. A system of money, enough money to kill, that is logical. A system of money to enable everybody to make a living, that is funny, that makes people laugh, especially the member for Beauharnois-Salaberry. He will have the people in his own riding laughing at him with that.

—its system of dividends for all, as long as the money machine holds out.

The money machine must be allowed to keep on working.

Everybody thought it was funny to hear about the monkey in the banana tree, the worm in the apple, the hare or the rabbit in the hollow log.

That was funny—to watch a monkey die from hunger.

Mr. Laniel: Mr. Chairman, on a point of order. I just want to thank the hon. member for Villeneuve for repeating my speech. I appreciate it very much.

Mr. Caouette: Mr. Chairman, it was not a point of order but rather a question of privilege. I am satisfied because he may not remember what he said.

Mr. Chairman, to see a monkey die from hunger in a banana tree, because there are too many bananas, that is funny. But, on the other hand, to see children, human beings, adults, in some lanes in the city of Montreal, and maybe even in the riding of my hon.

friend from Beauharnois-Salaberry, going through the garbage pails, behind restaurants, to pick up scraps of food because they do not have the right, like the financiers, to go and buy in stores, that is not funny. It is serious, and no doubt that happens in my hon. friend's riding.

But to speak of a monkey that dies from hunger in a banana tree, of a rabbit that runs from one end of a log to the other, that is funny.

And I continue:

It was funny to hear about the stomach of the hon. member for Lapointe (Mr. Gregoire) and that of the hon. member for Port Arthur (Mr. Fisher), without forgetting the head of the member for Port Arthur which should be cut off for the sake of better planning with regard to the leader of the New Democratic party, the hon. member for Burnaby-Coquitlam (Mr. Douglas).

And a little further down, the hon. member stated:

Do you think those people are serious? Is the hon. Prime Minister himself serious? The people of Canada are surely not being fooled. The Social Crediters must hide their real selves under the cloak of nationalism—

Mr. Boulanger: Quite apt.

Mr. Caouette: Mr. Chairman, I just heard the hon. member for Mercier (Mr. Boulanger) who said "Quite apt". He saw me in my own constituency when I met businessmen. At that time, we were discussing Social Credit, we were discussing monetary reforms. Now, the reforms which are a must at present are as important as the replacement of some hon. members. The monetary reform is still of the utmost importance throughout the country, and that is why the Social Crediters believe in it and preach it across the province and the whole of Canada.

Mr. Laniel: You were not elected on the Social Credit platform.

Mr. Caouette: You bet I was.

Mr. Laniel: Not at all.

Mr. Caouette: It is a fact that we explained Social Credit. If the hon. member had listened to the radio and television, he might have understood a few things. Maybe he does not have the possibility of understanding, but his constituents in Beauharnois-Salaberry understand very well.

Mr. Boulanger: Mr. Chairman, on a point of order. The hon. member for Villeneuve says that the Social Credit members were elected after they explained the Social Credit doctrine. That was not the way they were elected at all. They promised $100 a month. They knew they could never succeed in giving such an amount, because they will never be called upon to form the government.

Mr. Gregoire: He sounds like a drum.

(Text):

The Chairman: Order. There really is not a point of order there; it is a matter of debate. The hon. member for Villeneuve.

(Translation):

Mr. Caouette: Mr. Chairman, I like to hear my friends in the Liberal party tell me: Go ahead Réal. It sounds good coming from Liberal members.

Mr. Chairman, the hon. member for Beauharnois has stated:

The Social Crediters must hide their real selves under the cloak of nationalism—

Mr. Chairman, I shall not say that the hon. member was being dishonest when he made that statement, but he knew that it was not true when he said it, and he still knows it.

The hon. member went on:

—in order to secure the acceptance of a small group of people—

A small group of people, indeed—550,000 voters in the province of Quebec alone and close to a million in Canada voted Social Credit. How can the hon. member speak of "a small group of people".

He can be sure that there are a great number of Social Crediters in his own riding and he will see for himself when the next election comes around. I do not know when, however, but I shall give him an advance notice of one month.

Who soon realized his mistake of June 18—

Enough of this speech. I shall now read a letter I have just received from the citizens' league of Malartic, in the riding of Villeneuve. It is not from a Social Crediter. It is dated December 11, 1962.

Dear Sir,

We should like to extend to you and to your courageous members our sincere congratulations on your fine work in the house for the French fact.

You can be assured, dear sir, that we follow your parliamentary activities with great attention and interest and that we are pleasantly surprised at the results achieved.

That is exactly along the lines of what was reported in the press throughout the country about the Social Credit party. It is acknowledged today that Social Crediters from Quebec and from all Canada are a real asset to parliament as a whole.

Mr. Laniel: Come and say this in the riding of Beauharnois-Salaberry.

Mr. Caouette: I can go there anytime. Mr. Chairman, our group is accused of not having any economists. I have here a report published in the newspaper *Le Soleil* of December 9, 1962, and it is a known fact that this Quebec paper is friendly to our party. In true Social Credit fashion, it reports on the brief submitted by Mr. Jacques St. Laurent, an economist—

A third of the population of the province of Quebec will be unemployed in 20 years if—

In his findings that may appear revolutionary at first sight, Mr. St. Laurent states that because of technological progress, Canada, like all highly industrialized countries of the world, will soon have an economic system unable to provide enough job opportunities for everyone.

That means automation. Full employment advocated by the Liberals and by our friends of the New Democratic party. And the economist goes on:

Mr. St. Laurent states that we will have to find public or private means, of paying people to do nothing.

Our growing capacity to absorb workers and the fact that the necessity of work is eliminated without new uses for that work being found immediately, confronts us with the necessity to find something other than work to allow everbody to participate in consumption if they cannot participate in production.

Stating that people are already being paid to do nothing, through unemployment insurance or supplementary benefits to the unemployed, Mr. St. Laurent says that we may have to continue along the same line by establishing the 20-hour week, retirement at 50, education up to 25 and even salaries out of public funds for unproductive workers such as artists and students.

In conclusion, Mr. St. Laurent says social justice requires that we invent new ways to give purchasing power to the permanently unemployed. We must develop a basis for revenue unrelated to work as a standard. That is why respect for law and government should be restored so that they may become instruments of general well-being.

As for public works and territorial development plans, says Mr. St. Laurent, they are useful means for improving the present situation, but they do not go to the heart of the problem. They are makeshift solutions. No planning, whether capitalist, socialist or communist, can do away with economic factors.

Mr. Chairman, the hon. member said a while ago that, during the election campaign, we had promised $100 a month to Canadian citizens. Well, just three weeks ago, at Laval University, the Minister of Trade and Commerce (Mr. Hees) told representatives of the Canadian economy that the purchasing power had to be raised so that Canadian products could be sold on the domestic market.

His suggestion was: spend more. Now, it is easy to tell Canadians to spend more, it is easy to say to a Canadian who has $10 in his pockets to spend $10, but it is far from easy for him to buy $50 worth of products when he does not have a cent in his pocket.

[Mr. Laniel.]

If the government really wants to stimulate the Canadian economy and to get Canadian prosperity rolling again, let it distribute, through the Bank of Canada, a $100 bond, not $100 a month, as mentioned by the hon. member for Mercier (Mr. Boulanger), not $100, as the hon. member for Beauharnois-Salaberry (Mr. Laniel) was saying, but a $100 bond invested in the Canadian economy.

Mr. Boulanger: Mr. Chairman, on a point of order.

The Deputy Chairman: The hon. member for Mercier is rising on a point of order.

Mr. Boulanger: As he is wont to do, the hon. member for Villeneuve is misquoting me. They have said $100 a month, but the Canadian people know very well that they will never make up the government. Therefore, it will never be able to give anybody anything.

The Deputy Chairman: In my opinion, the hon. member is merely replying to the hon. member for Villeneuve. He will have ample time to do that later.

Mr. Caouette: I thank you, Mr. Chairman, for your kindness. When I referred to this $100 bond, I never mentioned $100 a month. If this is what the hon. member for Mercier understood, it is because he never understands anything.

If the government really wants to get the Canadian economy moving again the way I suggest to them is to issue $100 bonds to every Canadian citizen, to all men, women and children.

An hon. Member: Rich or poor.

Mr. Caouette: I know my hon. friend is quite rich and does not need that. So, he could give it to the poor.

Mr. Chairman, that $100 bond should be made valid only if spent on consumption of Canadian products to encourage our own industry so that no one could say: "If you have five children, you will get $500 and spend it in the United States". That bond would be valid only for the purchase of Canadian commodities and so it would boost consumption. That $100 bond would open new jobs in industries which would have to get new equipment and produce more, and then we would witness a business recovery or upsurge. I believe there is no other way—

An hon. Member: It would be temporary.

Mr. Caouette: I hear my friend say it would be temporary. We have been starving temporarily for 25 years. Has it not been going on long enough?

Let us try to give a little prosperity to the Canadian people. And the way to do it is to increase the consumers' buying power. There is no other way. We have the industry, the equipment and everything. We have manufacturers among us and they are quite willing, I am sure, to double or triple their production. In order to increase that production, we must in the first place finance our first market, our domestic market. When the needs of that market, the domestic market, are met, if we still have a production surplus, very well, let us then go into the international market.

The Deputy Chairman: I am sorry to inform the hon. member for Villeneuve that his time has expired. Would there be unanimous consent of the house to allow the hon. member for Villeneuve a few minutes more?

Some hon. Members: No, no.

The Deputy Chairman: There is not unanimous consent.

Mr. Chevrier: Mr. Chairman, this has been a rather historic day for this house. It began, in fact, with the masterly speech made this afternoon by the Leader of the Opposition (Mr. Pearson) and with those of the four speakers who followed.

I feel that the house had the opportunity, on this occasion, to hear several excellent speeches on a very important question that is of particular interest to all of us, not only with regard to national unity but also and especially in connection with practical ways to attain that national unity we are all seeking in Canada.

This afternoon, the Leader of the Opposition made not only a far reaching but also a very important speech for the country. He suggested some measures to bring about a solution to two forms of extremism that exist in our country at the present time. I should like to comment on the speech of the Leader of the Opposition as well as some other remarks made in the course of this debate.

I take this opportunity to congratulate all those who have taken part in this debate and also my colleague the Associate Minister of National Defence (Mr. Sevigny), whose contribution was excellent.

In connection with the five speeches which have been delivered today, what impressed me was the absence of politics, the fact that the debate was put above politics. That is why I say to the Associate Minister of National Defence that he did the right thing in taking the position he took this afternoon. I wish to make a reservation, however, with respect to that part of his speech when he said that the Leader of the Opposition did not do justice to the former government in the province of Quebec.

If the minister had carefully listened to what was said then, I believe that he would not have made such an assertion because what the Leader of the Opposition said, was this: The future of the French Canadians rests with themselves, depends upon their willingness to carry on the efforts already made—and this includes the former governments—to improve their educational system, in a large part, since 1960, to make sure that there will be "qualified" French Canadians to hold the positions referred to.

There was also a reference a while ago to a provincial-federal conference to deal with the selection of a flag. Without wishing in any way, to belittle that suggestion, I wonder whether a conference of this type is necessary to select a flag, and whether it is not rather the responsibility of the federal parliament to make that selection. I am not making that comment by way of criticism, I am simply asking the question.

I should like, Mr. Chairman, to come back now to what the Leader of the Opposition said this afternoon.

As he stated so well, Canada is presently going through a crisis of national unity, a crisis which seems to become more serious as we are getting closer to our country's centennial.

We have reached a point where we seem to be at the mercy of events and where the smallest incident could unleash most violent outbursts and cause breaches which it would be almost impossible to close.

For those of us who believe in national unity it is high time to intervene, to examine, as the Leader of the Opposition did so objectively, the deep causes of that crisis and to recommend long term and short term remedies which will enable our country to survive such a crisis and to prevent its recurrence.

Right now, two extremes, two intolerable forms of separatism are facing us in Canada. On the one hand, some English speaking Canadians are strongly against the

expansion of French culture beyond the frontiers of the province of Quebec. They are dead set against learning French because they feel that they would thus be degrading and lowering themselves. At the other extreme, some French Canadians would like to do away completely with English influence in the province of Quebec; they refuse to speak English even if they can. Both extremes meet. One keeps the other alive.

The manifestation of one form of separatism is bound to provoke the other and to contribute to its development.

Both clearly lead to the extinction of Canada as we know it today, and sooner or later to assimilation in the American melting pot. Mr. Chairman, separatism would be suicide for English speaking Canadians, but also, perhaps a little later, for French Canada.

The Leader of the Opposition has analysed very clearly the reasons of the present crisis. On the one hand, French Canadians are long in adapting themselves to industrialization, with all that implies from the standpoint of technical and professional know-how in the private as well as in the public field.

Professor Leon Dion, of Laval University, noted that delay in a remarkable study recently published in *Le Devoir*.

On the other hand, English speaking Canadians take time in acknowledging the bicultural phenomenon in our country and getting used to it in practice.

Mr. Donald Gordon, for one, so admitted in the interview he gave *La Presse* a few days ago.

I think we have there the deep-rooted reasons for the frustrations and inequalities which, more and more, are degenerating into differences, conflicts and crises.

The only enduring solution to such maladjustments is at the educational level. French Canadians have, for several years now, undertaken to reform their educational system. For the past two years in particular, and without ignoring what was done before, the province of Quebec has made quite remarkable efforts. This endeavour, which exacts a high price in sacrifices, has already shown some results. A great many young French Canadians have all the competence required by our industrialized society, and they are now getting the experience and maturity which will enable them to reach the highest levels both in crown corporations and in the various departments.

In a way, it is the very revolution now happening in Quebec which caused this deadlock. As a matter of fact, French Canadians, realizing that they are in the professional as well as the technical field, more and more prepared to take an active part in public administration and industrial development also notice that, in order to give a concrete expression to such ambition, they have to learn English, because only a few of their English speaking fellow citizens have sufficient knowledge of French.

The attitude of English speaking Canadians with regard to the French language has changed considerably. There was a time when a great majority considered that learning French was an inacceptable political concession rather than an intellectual enrichment enabling them to come in contact with one of the finest civilizations and greatest cultures in the world. Fortunately, this attitude is only that of a minority today. At the other extreme, it has been noted that an ever-growing number of English speaking Canadians are learning French sometimes at great sacrifice, for, unfortunately, the older people get, the more difficulty they have in learning a second language, and the less time they have for doing so.

In our time it is probably true—though we lack information to confirm this—that the majority of English speaking Canadians are not opposed to French any more, but they believe they cannot acquire even a working knowledge of that language without sacrificing other essential elements of their programs. For my part, I am convinced that this is a mistake.

First of all, what are we trying to accomplish in this field in Canada? The aim is not to make every Canadian perfectly bilingual. Such an aim would be quite impossible to attain. It is not even desirable.

Our purpose should be to have as many Canadians as possible speak a second language, either French or English, the knowledge of which would vary according to the educational level of the individual. We are also aiming at a practical rather than a scientific knowledge of the second language, at least for children, at the primary school level. In other words, we must first of all stop teaching a second language as if it were a dead language, because this is what is unfortunately happening in the provinces of Quebec and Ontario. We should teach children how to speak rather than stress the teaching of grammar.

Is it impossible and unrealistic to seek such practical knowledge of a second language in this country? Dr. Penfield and other well known experts do not think so. Besides, the experience of the world around us points to the contrary. A great number of citizens, in most countries have mastered a second language, even when the ethnical or political structure of the countries they live in do not prompt them to do so. This is true for Europe, South America, Asia and even Africa. For well-known, historical reasons, the United States is an exception. I, for one, am satisfied that the young English Canadians are as intelligent as children in other countries and that they will easily acquire a practical knowledge of French if given the opportunity to do so.

Mr. Chairman, in this morning's *Globe and Mail*, I came across an article under the heading "On Teaching French", which indicates very well the attitude of the Toronto school board. In fact, the members of that board have decided to have French taught in the elementary schools, not as a dead language, but as a modern one. For the information of hon. members, I should like to quote a paragraph from this editorial, which runs as follows:

(Text):

By embarking on a program of French instruction in the elementary schools, the board of education has taken the first step toward teaching French as a living language.

(Translation):

Mr. Chairman, it is therefore possible for a great number of Canadians to acquire such a knowledge of a second language. This is also extremely desirable, not only as a personal achievement, but because it enables us to benefit from the two greatest cultural media of the western world and because it is a factor of unity in this country. As stated by all previous speakers, I would even say that it must become one of our national purposes, for without it, it will be more and more difficult to maintain internal harmony and political stability in our country.

It has now become a matter of self-examination and we should ask ourselves whether we are mature enough honestly and wholeheartedly to accept this form of bilingualism as a long term national aim and whether we are ready to take positive steps, including especially the reform of our educational system in order to begin working on this together immediately.

That is a vital and really essential question. I realize that in asking that question publicly and collectively we run certain risks; but we can no longer avoid that question. Furthermore, I have confidence that we shall be able to answer it on both sides, with serenity and lucidity, fully conscious of the gravity of our answer and the consequences it can have.

That is why I enthusiastically endorse the suggestions made to the house by the Leader of the Opposition (Mr. Pearson). The federal government must take the initiative at once, and try to obtain the co-operation of the provinces in order to undertake a study of bilingualism and the means to achieve it. Such an enquiry could not be complete without the approval of the provinces, because the means at the disposal of the federal parliament in that field are limited. In fact, until we have undertaken the reform of education which comes exclusively under provincial jurisdiction, we may be able to improve the situation temporarily and apply certain remedies, but we will not have found the final and permanent solution to the fundamental issue.

It is not a case, especially in that delicate field, of imposing anything to the provinces.

In order to better pave the way, and in view of the fact that the leaders of the federal parties have already given their opinions on the matter, I would ask the other members, who will no doubt wish to participate in this debate, to tell us whether they are in favour of such an investigation and of its objectives. I do not want to challenge anyone; it is rather a wish on my part. If, as some previous speakers have stated, we could agree unanimously in this house on the general objectives to be achieved, we would immediately remove any political partisanship from this delicate issue, we would set an example to all provincial premiers and to all those who have any influence on public opinion in this country.

Canada is now at a cross-roads. We are preparing to celebrate an historical event: the centenary of confederation.

That is why I now appeal to all Canadians of good will. If we wish to celebrate that centenary simply by erecting monuments and by organizing festivals and exhibitions, we are in for bitter disillusions, because the unity we shall then celebrate, if it still exists, will only be artificial and transparent.

If we wish to celebrate confederation together and in a united spirit, we must begin at once a spiritual retreat, we must reflect

not only on what we are, but on what we want to become. We can no longer be satisfied with mutual respect in isolation. We must prepare to remake, so to speak, confederation, and especially redefine its spirit.

We must learn, on both sides, not only to remain ourselves and better to live our own culture, but also to become a little like the other, and to participate more actively in the culture of the other. We shall then become better citizens, and we shall form a richer and more united nation. We must seize this opportunity, which is offered to us and which is perhaps the last one, to renew concretely our collective will to live together on a really equal footing.

Otherwise, there may not be a second centennial of confederation, which would be, I am quite sure, a great disaster for all Canadians. Because, after all, as I attempted to explain earlier, this question is beyond the competence of parliament. It concerns every Canadian citizen.

There is a great deal of good will in Canada today; we should take advantage of it. If there seems to be unanimity in this house on a question of such scope and of such importance, it is time to take action. Without entrusting this responsibility to anyone in particular, it seems to me, as I said earlier, that the federal government should take the lead in making this inquiry and in consulting the provinces. There are various methods of consulting the provinces. In reply to a question put to him, the Prime Minister has already shown that such a consultation is possible, and can promptly take place when good will prevails. I am convinced such is now the case, and now is the time to act.

Indeed, it is very important for the two main racial groups of our country to live together on equal terms, as stated by the Leader of the Opposition. It is a good thing to preach national unity, as everybody did so well in the house today. All that is very fine, but it is not enough, Mr. Chairman. Much more must be done; action must follow.

That is why the Leader of the Opposition suggested that an inquiry should be made into the fields under our jurisdiction, namely into crown companies and various departments, and as concerns all fields not entirely under our jurisdiction, let us consult the provinces and obtain their approval so that French Canadians would feel at home throughout Canada, from coast to coast.

So I invite the house to support the suggestions and proposition of the Leader of the Opposition and to act. If the house does that, I am convinced that it will help to place on an indestructible basis the future of this beloved country of ours, Canada.

[Mr. Chevrier.]

Mr. Pigeon: Mr. Chairman, we should be pleased, as some hon. members have mentioned, that this debate has been maintained above partisan considerations.

Mr. Gordon's statement will have contributed to national awakening. As far as I am concerned, I had the opportunity, on June 8, 1961, to give my opinion on Mr. Gordon. I feel, Mr. Chairman, that Mr. Gordon's statement has, as I said, contributed to national awakening.

We stopped to take a look at what has been done and to appreciate what remains to be done to improve relations between the two main ethnic groups in Canada, with a view to closing gaps and being able to celebrate the centenary of confederation in national unity and not to see it break up.

I think that this uneasiness resulting from bilingualism and the disproportion in representation of French speaking Canadians has existed not only in departments—and for a long time, although the situation has improved in recent years—but especially in crown corporations.

In my opinion, Mr. Chairman, taking advantage of the announcement made in the speech from the throne at the beginning of the session, of convening a federal-provincial conference, that is a general assembly of our nation, to give Canada national emblems, it should be important to place on the agenda a royal inquiry on relations between the two ethnic groups, as well as a review of or an inquiry on the constitution.

The problem between the two ethnic groups has reached an acute phase at present. Well, I believe that this problem has existed for a long time.

I remember that in the province of Quebec, the report of the Tremblay commission outlined the gaps which existed and also the solutions that could be resorted to.

That is why, if we refer today, for instance, to the Tremblay commission report, I believe that we shall see what causes the troubles because for a number of years the constitution has been undermined and the taxation fields have been mixed up. I believe that if we included as I said a while ago, in the agenda of the federal-provincial conference, regarding the choice of a national flag, an inquiry on the constitution or a complete review of it, it would be a useful step. I

really believe that this question would be appropriate as, in these last few years, there has been a development towards the undermining of taxation powers. For example, the Canada Council interferes in the field of education which belongs to the provinces; the federal government is even giving grants to universities; and some members, without consulting the provinces involved, like Quebec and Newfoundland, would like to bypass the provincial authorities in order to regulate the question of divorce.

I believe, Mr. Chairman, that we should take advantage of the federal-provincial conference to be held soon and which was announced in the speech from the throne—the convening of the states general—to make a complete review of the situation and to stop to devise the means to achieve a better understanding between the two ethnic groups.

Mr. Chairman, I think it was fitting that a debate such as this one should have taken place in this house. It was kept above petty politics and all members are to be congratulated. I say again that a stock-taking should be done on the occasion of the general meeting to be held shortly, in order to select national emblems, so that we may all take the time needed to consider a complete review of the constitution and, if possible, to graft upon it a royal inquiry on the relations between the two ethnic groups, for the best interest of the Canadian nation, so that in 1967, we can all celebrate the centenary of confederation together instead of crying at its funeral.

Mr. Perron: Mr. Chairman, I cannot let a debate as important as this one go by without congratulating all those who have taken part in it. They have kept it above political partisanship. I feel that a member from the Beauce area must be heard in the course of a debate of such magnitude, since the question of bilingualism in Canada was raised this afternoon.

Since one of my predecessors who sat for 12 years in this house asked on many occasions that the French fact be recognized in the public service in Ottawa and, through his motions and his bills also asked many times that cheques be made bilingual, I am glad to congratulate him and to mention his name. I am quite sure he will be most happy tomorrow when he sees the newspaper headlines on this question of bilingualism. I refer to the former member for Beauce, Mr. Raoul Poulin.

It will do his heart good to see that today, in this house, putting aside all political partisanship, members from all parties have taken part in this debate and proved to the Canadian people that we are their representatives before being members of a political party.

I know that my predecessor will be comforted when he reads the report of today's debate. He will realize what headway has been made since he made his requests in this chamber. He will also find that the constituency of Beauce has made it a point to take part in this discussion and that there is an increasing awareness of the need for national unity.

This debate will not only bring about the recognition of the French fact throughout the whole country of Canada, but also a glimmer of hope as to the possibility of giving the entire population social justice, social security. Moreover, let us not forget that it will surely enable one and all to consider the debates from an economic and financial point of view.

Mr. Chairman, I was just thinking about the well-known fable of the cat and the mouse. Some were wondering, at a certain moment, if they had not clung to the cat's neck. You will note that all those who took part in this debate have done so with a generosity full of understanding for those who do not speak the same language. I am sure that today we took a great step towards national unity.

During the election campaign, we pointed out the need to review ministerial representation. Since the problems of eastern farmers are different from those of western farmers, we advocated representation of both ethnic sectors of the country in the Department of Agriculture.

We also advocated representatives from the east and west as regards the many economic difficulties in order to promote a better understanding between the eastern and western producers and to provide for an easier disposal of western farm products which would at the same time encourage eastern producers.

On several occasions since the beginning of this session, we asked questions about bilingualism, about the French fact. We did not do that with any intention to hide—

Mr. Pigeon: Would the hon. member for Beauce permit a question? Is he aware of the

fact that recently the Minister of Agriculture appointed a French language deputy minister in order to improve relations between east and west?

Mr. Perron: I am perfectly aware of that and I take this opportunity to congratulate the government for that move.

I was just saying that we demanded and advocated that kind of representation in several federal departments.

Of course, the Gordon incident took place. The hon. member who just spoke before me referred to that. The reasons underlying that situation are due to the maturity of the whole Canadian people. The people want national unity, economic stability and good understanding throughout the country.

We shall celebrate, in a few years, the centenary of confederation. We must take that opportunity to act as wisely and as quickly as possible to give our country a national emblem, a national anthem, that is to say national symbols, so that all may rally round that Canadianism about which we heard so much this afternoon from French speaking as well as English speaking members. I hope that these discussions will bring about the possibility of giving our country all the national symbols that will mark the one hundredth anniversary of life within the confederation and that, all together, we shall sing the praise of this country where life is so good.

I would also like during this debate to deal with economic matters. In my riding, the producers, farmers, workers, small industrialists and shopkeepers are grateful to bilingualism, but they also all want an economic policy that will give justice, in Canada, as much to factory workers as to farm workers. All those classes of society want a policy that will enable the consumers to obtain the goods they need.

It seems that people accuse us of hiding behind bilingualism during the last election campaign. Well, we believe in bilingualism but we conducted that election campaign under the banner of security, and freedom, because we believe in that security and freedom for the whole of Canada.

That is why, since the door has been opened on budget matters, it is normal, in my opinion, that we deal with them a little more closely and that we study the reforms that must be made in the financial system.

Earlier an hon. member said in this house that 80 per cent of the natural and industrial resources in our country were controlled and managed by foreign corporations. That is a problem of tremendous importance that we must put above politics, that we must consider in our discussions on the budget. The monetary situation towards which we are leading today is in the process of taking away from the Canadian people its opportunities and its natural resources.

Last week we talked about the establishment of the Atlantic development board and we shall discuss, at the first opportunity, the establishment of a national economic development board. In reading the newspapers and the editorials every day we note the importance given to that measure which provides for the establishment of a board which may advise and help financially the development of our natural resources in the interests of all Canadians.

That is an obvious sign of the fact that our financial policy must be overhauled in such a way that the working class and all other classes may contribute to the economic development of our country.

As the hon. member for Villeneuve stated, the best solution would be to teach the matter under a new angle which would be more in accordance with the twentieth century so that the abundance of products we have in Canada may be put at the disposal of everybody thanks to progress, automation, applied sciences and the know-how of past generations. It would be easy to put that production at the disposal of the Canadian people and to give them the security they are seeking.

Lately I have been receiving hundreds of letters from my constituents. I am told of fathers and mothers who have lost a social security pension or allowance in the last two or three months, of wives whose husbands have been out of work for the past six months, who are living on nothing but family allowances and are worried on the eve of Christmas and New Year.

As long as under our monetary policy money is not put at the service of the people, and the fundamental freedoms of the individual are not respected, fathers and mothers will have to go without the basic necessities of life.

Let us give the Canadian people the security to which they are entitled, let us follow the march of time and look at our financial problem the same way as that economist who is not a Social Crediter and who wrote in

the newspaper *Le Soleil*, last week, that we must absolutely give new orientation to our possibilities and that we must get away from the beaten track.

Our task is to give to our people, to our citizens, a social security that will allow the development of the human personality and the fulfilment of our liberties.

I hope that following a debate so auspiciously started and above petty politics, we shall be able to glance upon the economic apparatus in our country and should a revision of our monetary policy prove necessary, we will be able to make a contribution free from party politics.

We have had a foretaste during the discussion on the budget when we heard hon. members opposite say that it was not possible to create interest-free money in this twentieth century, for the development of our municipalities and of our natural resources. These remarks have been printed in *Hansard*.

Some speakers from the Liberal party have admitted, in this house, the need for revising our monetary policy so as to enable the Canadian people to expand by developing its natural resources in the interest of the whole nation, which is groaning under the present burden of social insecurity and asking for this security as well as for the respect of freedom.

We have set up various boards since the beginning of this session. There will be another important discussion concerning the national economic development board. Shall we have to ask many questions to know if this achievement is physically possible? Have we not heard, during a whole week, the claims of hon. members of the Atlantic provinces about the Canso strait, and a thousand other important projects to be carried out as soon as possible? Have we not heard about a steel plant in Quebec, so that all Canada can develop its natural resources in the interest of its people? And is the same not true in the western provinces?

Why are those plans not being carried out? Is there any great shortage of manpower? Is it not a fact that there are more than 500,000 unemployed in this country? What do we need to put the economy back on the rails?

I suggest that the best way to do this is to support the suggestion made earlier by the hon. member for Villeneuve (Mr. Caouette). I am of the opinion that it is through those new methods that we will give the Canadian people the purchasing power it needs and which will enable our economy to progress according to the rate of possibilities of Canada.

If we had set up so many commissions when the war started in 1939, I wonder if in 1945 the government would not have still been at the stage of commission setting. But instead, the Canadian economy was allowed to boom in 1939 through a mushrooming of plants across the length and breadth of the country. As a matter of fact, in a jiffy we succeeded in creating for 10 years a production for this country which was dying of hunger in the midst of plenty. The Canadian economy was pushed forward for political reasons, for wartime purposes.

Today we must give our economy and our national development a new orientation, but in doing this we must take into account the tremendous possibilities in the field of natural resources development, as far as available labour is concerned, in the field of science, and learning. It is time that we launch across the country, through legislation brought forward by the federal government, a broad program which will permit our people to regain some confidence in the future and in the possibilities of Canada.

But as long as we do not consider an expansion of the purchasing power of the consumer through means other than those tried so far, and until we adopt, as was suggested by the economist Jacques St. Laurent, other means of financing purchasing power, even for those who cannot at present participate in production, we will not be able to give our people security and freedom, while fully respecting the dignity of man, an opportunity to choose his occupation according to his ability.

Mr. Chairman, today's discussion gave us evidence that when we wish to we can raise ourselves above politics. We saw it, we felt it, and it was a heartening experience for the English as well as the French speaking or even the new Canadian members of this house to see that at last Canada, through its parliament in Ottawa, wants that national unity which will enable us in 1967—

The Chairman: Order.

(Text):

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, may I inquire what the house will do tomorrow?

Business of the House

Mr. Churchill: I hope we will finish interim supply tomorrow, and then carry on with the national economic development board.

Mr. Chevrier: Mr. Speaker, on Friday the house leader indicated that he had a number of small bills which he was anxious to put through. I should like to tell him that so far as we are concerned we would facilitate the passage of those bills tomorrow, if that is the wish of the government and they would like to get them along. So far as we are concerned we would be prepared to interrupt this debate—provided these bills will not take too much time, and so far as we are concerned they will not.

Mr. Churchill: Well, that might be arranged; but to interrupt this debate and not get interim supply through would be rather a bad thing for all the employees of the government. I will phone around tomorrow morning and perhaps we might make some arrangement.

It being three minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

APPENDIX

FINAL COMMUNIQUE, NATO MINISTERIAL COUNCIL MEETING

The regular ministerial session of the North Atlantic council was held in Paris from 13th to 15th December, 1962.

2. Ministers reviewed the international situation. They noted that the alliance is sound and vigorous, and that the dynamism of free societies continues to demonstrate its advantages in promoting world progress and well being.

3. The recent attempt by the Soviet union to tilt the balance of force against the west by secretly stationing nuclear missiles in Cuba brought the world to the verge of war. The peril was averted by the firmness and restraint of the United States, supported by the alliance and other free nations.

4. Ministers also discussed the grave implications of the recent communists actions in Asia.

5. The aim of the Atlantic alliance remains what it has always been—peace, freedom, and security based on the rule of law. However, the alliance is determined to respond appropriately to any hostile action affecting the security and freedom of countries of the alliance subjected to threats and pressure. Regarding Berlin, the council recalled and reaffirmed its determination, as expressed in its declaration of the 16th December, 1958, to defend and maintain the freedom of West Berlin and its people.

6. In the light of their discussions, ministers concluded that constant vigilance and unity of purpose in a spirit of interdependence, as well as readiness to examine any reasonable possibility of reducing international tension, must continue to guide the policies of the alliance. It is a prerequisite of any progress toward equitable settlement of outstanding international issues that the alliance should maintain its defensive strength.

7. Ministers emphasized the value of close political consultation in regard to the constructive tasks of the alliance, as well as in preparing to deal effectively with contingencies which may arise. They agreed that this consultation should be intensified.

8. The council reaffirmed that general and complete disarmament, under effective international control, continued to be a question of major concern. It emphasized the importance of reaching an agreement which would step by step bring peace and security to the world. It expressed the hope that the Soviet attitude, which has so far frustrated concrete agreement on any of the key questions at issue, would change.

9. Ministers took careful stock of the threats which face the alliance and the resources available for defence against them as established in the course of the 1962 triennial review. They agreed that it was necessary to increase the effectiveness of conventional forces. They further agreed that adequate and balanced forces, both nuclear and conventional, were necessary to provide the alliance with the widest possible range of response to whatever threat may be directed against its security. They recognized that a sustained effort will be required to provide and improve these forces. Ministers invited the permanent council to review procedures in order to secure closer alignment between NATO military requirements and national force plans as well as an equitable sharing of the common defence burden.

10. The council also reviewed the work done over the past six months in the exchange of technical information on nuclear weapons and the study of various suggestions for the further development and co-ordination of NATO nuclear capabilities. They decided to pursue and intensify exchanges in this field to facilitate the continuing review of NATO defence policy.

11. Ministers also noted, in accordance with the resolution taken during the Athens meeting, that in a spirit of solidarity and interdependence, measures had been decided on to assist Greece in solving the special defence problems with which she is at present confronted.

12. At their separate meeting on 15th December, defence ministers reviewed the report of the high level group established to seek means of obtaining improved co-operation among member nations in research, development and production of military equipment. In approving this report ministers reaffirmed their will to co-operate and their intention to translate it into positive action at all levels.

13. Ministers noted that the free world had continued to advance toward an ever greater degree of prosperity. Only on the basis of continuing economic expansion can the alliance foster the well being of its

peoples and provide a sound basis for a defence effort equitably shared among the allies and commensurate with their economic potential. Furthermore, economic expansion in the west, by facilitating the provision of increased aid and stimulating world trade, is essential to steady economic progress and a rising standard of living in the developing countries.

14. Ministers emphasized their determination to intensify measures to sustain the efforts of those countries of the alliance which, while making an important contribution to the common defence, at the same time are faced with the urgent problem of speeding up their economic development.

15. Ministers examined a report on national and international civil emergency plans, which are an essential complement to the defence effort.

16. The next ministerial meeting of the North Atlantic council will be held, on the invitation of the Canadian government in Ottawa, 21st-23rd May, 1963.

HOUSE OF COMMONS

Tuesday, December 18, 1962

The house met at 2.30 p.m.

COMMITTEES OF THE HOUSE

Fifth report of standing committee on railways, canals and telegraph lines—Mr. Howe.

Second report of sessional committee on railways, air lines and shipping owned and controlled by the government—Mr. Rowe.

(Translation):

CANADIAN NATIONAL RAILWAYS

ANNOUNCEMENT OF STUDY OF SITUATION RESPECTING FRENCH CANADIANS

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, as the house has been told, the president of the Canadian National Railways, at my request, has brought before the board of directors the problem of the promotion of French Canadians in the C.N.R. organization.

Following a meeting of the board of directors, the president has sent me the following report:

I am informed by the chairman of the board of directors of Canadian National Railways that, at its meeting on December 13, the board carefully reviewed the company's methods and procedures for the recruitment, appointment and promotion of supervisory and management employees, having particularly in mind the current discussions respecting the status of French Canadians in the organization. Included in the review were the present methods and procedures for appraising the qualifications for and the performance of personnel in positions throughout the organization and the existing delegation of authority to approve appointments and promotions.

The board considered that, while the present methods and procedures are designed to produce fair and equitable treatment of all the company's employees and applicants for positions, it is of prime importance that a thorough-going study be made to ensure that, in the practical application of these methods and procedures, their objectives are in fact being achieved. In particular, the study should seek to determine whether more effective measures can be adopted

(a) to attract to the company's service qualified French Canadians in larger numbers, and

(b) to see that French Canadian personnel have full opportunity to enlarge their experience and qualifications for promotions to positions of greater responsibility at all levels in the company.

The study is to be undertaken by a committee of the board consisting of the chairman and Messrs. Charbonneau, Koerner, Levesque and Stewart. All necessary staff assistance will be furnished to the committee to enable the study to be completed and a report made to the full board as quickly as possible.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, it gives me pleasure to learn through the Minister of Transport (Mr. Balcer) about the decision taken by the board of directors of the Canadian National Railways to undertake a thorough-going study of the situation in order to find out whether the present promotion system in that company is satisfactory and, especially, to see whether it should not be amended, considering the way many positions can be filled and considering the qualifications and specialties existing among French Canadians in the province of Quebec and elsewhere.

We are all very happy about the decision reached. That decision is all the more important, Mr. Speaker, as yesterday we almost had complete unanimity in this house, not so much concerning this matter referred to by the minister, but about the whole field of bilingualism and our two cultures in Canada.

That discussion was initiated by the Leader of the Opposition (Mr. Pearson) and all hon. members who spoke after him were unanimous to conclude that the existing standards should be changed.

I also believe, Mr. Speaker, that this decision is complementary to the interview given by the president of the C.N.R. to a reporter of *La Presse*.

I am convinced the whole house will be happy about that decision which we hope will achieve good results.

Canadian National Railways

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I want to associate myself with the member for Laurier (Mr. Chevrier) in expressing the congratulations of our party to the Minister of Transport (Mr. Balcer) and to the board of directors of the Canadian National Railways for the action taken today.

Mr. Speaker, I would like to add that the committee set up to find a solution to the treatment given French Canadians at all administrative levels in the C.N.R., will not have any difficulty in finding among French speaking Canadians men with the necessary qualifications to hold those important positions in the management of the C.N.R. There are such men in the two great nations that make up our country.

That committee will have an easy task, even an agreeable one if he will make it so.

We want also to warn those who are entrusted with that mission that the role of the members of parliament is not over now that a committee has been set up; they will have to see to it that measures follow the decisions taken on December 13.

A lot has been done already. But the work must go on until the great nations that make up our country can realize that their rights are entirely recognized, which will bring about understanding and harmony between our two great races.

(Text):

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, it is more than two years since I raised the issue, in this house and in the railway committee, concerning the fact that French Canadians were not represented on the executive board of the C.N.R., but at this time I would like to offer my congratulations to the hon. member for Lapointe (Mr. Gregoire); because previously when I raised the issue it did not seem to get the response that it has met very recently, and I think the hon. member for Lapointe and his colleagues may take some credit for the fact that there now seems to be a firmer and keener interest in biculturalism in the Canadian National than there has been in the past.

I would also like to express the hope that this move by the Canadian National, appreciated as it is, will not get in the way of the government's consideration of the other suggestion made by the chairman of the C.N.R., that we have a royal commission on this entire problem. I hope the government will not let this step interfere with serious consideration of that point, and I particularly hope it will not take seriously some of the carping criticisms made in the house, especially by the official opposition, that there have been too many royal commissions. I know my party would welcome one in this particular field.

THE MINISTRY

REPORTED INTENTION OF PUBLIC WORKS MINISTER TO RESIGN

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): I wish to direct a question to the Minister of Public Works. In view of the fact that so many of us on this side of the house are concerned about having the minister appear before the external affairs committee, I wonder whether events in Point Grey yesterday would have assisted the minister in changing his mind about leaving the federal cabinet?

Hon. E. D. Fulton (Minister of Public Works): Not at all, Mr. Speaker. On the contrary, it seems to me the events in British Columbia yesterday have effectively disposed of the myth that there is only one alternative to socialism in British Columbia, namely the Social Credit party. That myth has been exploded.

EXTERNAL AFFAIRS

ANGOLA—REQUEST FOR STATEMENT ON CANADA'S POSITION

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): I wish to direct a question to the Secretary of State for External Affairs. It is related to questions asked yesterday by myself and the hon. member for York South, and following perusal of the NATO ministers' communique which was tabled yesterday. Will the minister consider making a statement to the house, before we rise for Christmas, on Canada's position with regard to Portuguese actions in her African territories, in view of the absence of any reference to that question in the NATO communique?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, Canada's position with regard to the situation in Angola has been very clear from the start. We have been against the action that has been taken there.

ORGANIZATION OF AMERICAN STATES—INQUIRY AS TO CANADIAN PARTICIPATION

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the

Secretary of State for External Affairs, based on an article which appeared in yesterday's Ottawa *Citizen*. Can the minister indicate to the house whether Canada is now prepared to join the organization of American states?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, as the house knows this question has been under consideration for some time. When a decision is reached it will be announced in the usual way.

BRAZIL—REQUEST FOR STATEMENT ON INJURIES TO CANADIAN JUDGES

On the orders of the day:

Mr. Leon Crestohl (Cartier): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. Can the minister inform the house whether his officials have received any further report on the incident which took place in Brazil, in which two Canadian judges were injured?

Hon. Howard C. Green (Secretary of State for External Affairs): No, Mr. Speaker, I have no further report. I sent off a message this morning expressing sympathy for and admiration of the president of the Exchequer Court, and in addition giving our ambassador instructions to do everything he can to help.

INQUIRY AS TO EXTENSION OF TERRITORIAL WATERS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the Secretary of State for External Affairs whether in his recent conversations with the secretary of state of the United States he had any opportunity informally to find out whether it would be possible to open active negotiations to secure a 12 mile fishing limit without further delay.

Hon. Howard C. Green (Secretary of State for External Affairs): No, Mr. Speaker. That subject was not discussed in Paris.

(Translation):

PRIVILEGE

MR. GREGOIRE—REFERENCE TO REPORT OF CANADA COUNCIL

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a question of privilege following the reply given by the Canada Council, which has violently denied charges that the Canada Council is illegally disposing of funds to loan companies.

Mr. Speaker, as recorded in *Hansard* of last Friday, I have never said that the Canada Council was disposing of funds to loan companies. I did say, however, that the Canada Council was lending money to companies at interest rates as low as 3½ per cent. And, in order to support my contention, I should like to table the Canada Council report. You will note on page 167 that $300,000 was lent to the Industrial Acceptance Corporation on a promissory note bearing a 3½ per cent interest.

Mr. Speaker: Order. An hon. member may rise on a question of privilege only if he can indicate that his words have been wrongly interpreted. There is no question of providing evidence and the hon. member cannot table these documents now.

Mr. Gregoire: Mr. Speaker, on a point of order. It is not only a matter of interpretation. The statement I made has been denied, and I have the Canada Council document here to prove—

Mr. Speaker: Order. I think it is permissible to an hon. member to deny what has been said in the house but, in this case, he is denying something that has been said outside the house, thus raising a controversial issue.

[*Later:*]

Mr. Jean-Paul Cook (Montmagny-L'Islet): Mr. Speaker, my question is addressed to the Prime Minister.

Can the right hon. gentleman tell the house whether he has received from the chairman of the Canada Council board of directors, Mr. Weldon, a communication explaining the policy of the council? And if such is the case, could he summarize it for the benefit of the house?

(Text):

Right Hon. J. G. Diefenbaker (Prime Minister): I have a lengthy statement here which was sent me by Dr. Trueman, director of the Canada Council, and by leave of the house I shall read that statement.

The Canada Council does not lend money to governments, corporations or individuals. It invests its funds, subject to the terms of the Canada Council Act, in securities which are sold in the market place, having due regard to the return from these securities, their term to maturity and their quality. These investments include the employment of funds for temporary periods in the short term market, and among the securities purchased are treasury bills, short term bonds and commercial and finance company notes. The investments in short term securities, as indeed in all the securities purchased, are made with the objective of maximizing the fund's income, and the selection of securities depends on their relative yield and quality at the time of purchase. The council is very much concerned that it obtain the highest possible return from its investments in its efforts to meet the urgent and growing demands upon it for scholarships and grants.

The investments of the Canada council are made on the recommendation of an investment committee, four members of which are appointed by the governor in council and one by the members of the council itself. At present the membership of

the investment committee is as follows: Mr. Graham Towers, former governor, the Bank of Canada; Mr. G. Arnold Hart, president and chief executive officer, the Bank of Montreal; Mr. Marcel Faribault, president and general manager, le Trust General du Canada; Mr. J. G. Hungerford, president, National Trust Company; and Mr. Weldon as chairman of the Canada Council.

The council's investments are carried out and supervised by the firm named in this statement. If there is any further information necessary in this connection it could be secured when the accounts of the Canada Council are before the public accounts committee.

INDIAN AFFAIRS

MANITOBA—REPORTED NEED FOR AIR LIFT OF FOOD SUPPLIES

On the orders of the day:

Mr. Roger J. Teillet (St. Boniface): Mr. Speaker, my question is directed to the Minister of Citizenship and Immigration. Did the government first authorize, then rescind, an order for an air lift of food supplies to Indians in northern Manitoba, as reported from Winnipeg under date December 17, in the Toronto *Globe and Mail*?

Hon. Richard A. Bell (Minister of Citizenship and Immigration): No, Mr. Speaker.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, could I ask a supplementary question. Could the minister tell us, because of the great public interest in this matter, what is being done about it?

Mr. Bell (Carleton): Mr. Speaker, immediately there was any suggestion of difficulties in this particular area I instructed that an officer of the department, the assistant superintendent at The Pas, should go to the area and personally inspect the problems the Indians are alleged to be encountering. He has been there since last Thursday. He has been around and through more than half the homes in the area. There is no doubt that the economic conditions of some Indians in this area are not the best, but the reports which I have received by long distance telephone as late as this morning do not indicate that there is any emergency or that there is urgent need. The Indian agent has the fullest authority, on specific, direct instructions from me, to provide welfare when needed, and he is doing so. Arrangements are being made for a community development officer to be stationed in the area, and everything which can be done is being done. We will welcome the assistance of Christmas comforts from the Salvation Army but it did not seem necessary, or indeed realistic and practical, to have an air lift at the present time.

[*Later:*]

Mr. Teillet: Mr. Speaker, I have a further question to direct to the Minister of Citizenship and Immigration. Has the government investigated the charges made by Mr. Dinsmore in the Toronto *Star* of December 15, regarding the exploitation of Indians in Manitoba? If so, what were the results of this investigation, and what action is contemplated?

Mr. Bell (Carleton): Mr. Speaker, I am not familiar with any charges made by Mr. Dinsmore. I think the hon. gentleman would have to identify the matter more closely before I could reply.

[*Later:*]

Mr. Teillet: Mr. Speaker, for the purpose of identifying for the Minister of Citizenship and Immigration the source of a question asked a moment ago, the charges are contained in—

Mr. Speaker: Order. The hon. member may pass it over, but he cannot proffer information in asking a question. If he has another question to ask he may do so, or he may send over the information.

Mr. Teillet: With all due respect, if I may I will repeat the question I asked earlier and identify it more clearly, which is what the minister requested me to do. The question I asked a moment ago was, has the minister or the government investigated the charges contained in an article written by Mr. Dinsmore from Gods Lake Narrows, Manitoba under date of December 15, which appeared in the Toronto *Star* and is headed "Indians Sell Potatoes at 15 Cents and Buy Them Back at 25". If the government has investigated these charges what were the results and what action is contemplated?

Mr. Bell (Carleton): Mr. Speaker, I have already told the house this afternoon of the action which was taken. A senior officer of the department is in the area. He has been reporting to me daily and I have indicated that he has not found any suffering, privation or urgent need. He is under specific instructions to do everything possible to see that the welfare of these Indians is properly attended to.

(Translation):

HOUSE OF COMMONS

USE OF FRENCH IN CORRIDORS BY MEMBERS' SECRETARIES

On the orders of the day:

Mr. Prosper Boulanger (Mercier): My question is directed to the Prime Minister. Before putting it I might say that it could be made

a question of privilege, but I shall make it an ordinary question.

Following publication in the newspaper *La Presse* of December 12 of an alleged statement by a member of this house during a conference in Toronto, would the Prime Minister tell us if it is true that secretaries were not allowed to speak French in parliament halls before the totally unexpected arrival of Social Crediters, as Mr. Caouette suggested when he spoke to university students in Toronto?

Mr. Speaker: I think that the hon. member will admit that his question is out of order.

[*Later:*]

Mr. Boulanger: Mr. Speaker, I rise on a question of privilege. A moment ago, when I put a question to the right hon. Prime Minister, I said that if it was out of order, I would make it a question of privilege.

I should like to call to your attention a statement made by the hon. member for Villeneuve while he was addressing university students in Toronto. In fact, he stated that the members of his group had done a lot for French Canadians in parliament, and he went as far as saying that from now on the secretaries would not have to be ashamed to talk French in the corridors of parliament.

Mr. Speaker, I have checked with the personnel of secretaries, and I have been informed that no member, either French or English speaking, had ever forbidden them to speak another language than English. In fact, they have always been free to speak the language they choose.

Mr. Speaker: Order. The hon. member can discuss this point with the member for Villeneuve, but I suggest he has no question of privilege. In any case, he has made his statement.

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a point of order, for I notice that the hon. member for Mercier is trying to look more important than he really is. That is why he picks on people who are more important than he is.

Mr. Speaker: Order. I wish to call the hon. members' attention to the rule dealing with the order which must prevail in this house. When a member rises on a point of order or on a question of privilege he is given the floor first, but when a question is out of order, like the one which was put a moment ago, there is a violation not only of the procedure of the house, but also of the rights of other hon. members who may wish to put more serious questions.

REQUEST FOR ADDITIONAL HOLIDAYS FOR SESSIONAL STAFF

On the orders of the day:

Mr. Prosper Boulanger (Mercier): I should like to direct a question to the Prime Minister. We all know that there are only three working days between Christmas and New Years, that is December 26, 27 and 28. Here is my question.

Since several members' secretaries, messengers and pages live in eastern or western Canada, could the Prime Minister give those people a holiday during that period? Could he not get into the Christmas spirit and give them a well deserved holiday.

Mr. Speaker: I must point out to the hon. member that this matter does not come under the Prime Minister but under the internal economy commission. All decisions in that regard have already been announced.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Vincent Drouin (Argenteuil-Deux-Montagnes): I have a question for the Prime Minister. It concerns a statement made in the house last night by the hon. member for Villeneuve, to the effect that he would tell us a month ahead of time the date of the next election.

Can the right hon. gentleman tell the house whether he has arrived at an agreement with the hon. member for Villeneuve on the date of the forthcoming general election?

Mr. Speaker: Order. I trust the hon. member was not expecting to get an answer to his question.

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Prime Minister. In order to check subversive ideas in this country, is it the government's intention to interdict the Liberal party, as there are socialists with communist tendencies within its ranks?

Mr. Speaker: Order. I wish to bring to the attention of all hon. members the first and second paragraphs of Beauchesne's citation No. 171, because I have the impression that they are forgotten from time to time. It must be remembered that the rules of the house have to be observed and that we are not in school.

Inquiries of the Ministry

Mr. Vincent Drouin (Argenteuil-Deux-Montagnes): Mr. Speaker, I should like to direct to the Prime Minister a question on an urgent matter of national interest. Does the Prime Minister intend to carry out the wish expressed yesterday by the Leader of the Opposition (Mr. Pearson), by establishing a royal commission on bilingualism in Canada?

Mr. Speaker: Order. I think the hon. member is aware that no question concerning a previous debate may be asked at this stage of the proceedings in this house.

Mr. Drouin: On a point of order, Mr. Speaker.

Mr. Speaker: The question asked follows from the debate which took place yesterday. That debate will be continued, if ever we can get to that stage of the business of this house.

(Text):

TELEVISION

HOCKEY—STATEMENT ON REQUEST FOR COMPLETE BROADCAST OF MAPLE LEAF GAMES

On the orders of the day:

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, the other day the hon. member for Trinity-Conception asked me to see whether all three periods of the Toronto Maple Leafs hockey games could be televised both on Wednesdays and Saturdays. I am advised by the officers of the corporation that they have no intention of altering the programming this year.

ADMINISTRATION OF JUSTICE

ONTARIO—INCREASED REMUNERATION FOR JUDGES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Justice a question relating to word that the Ontario government is presenting legislation which would effect an increase in remuneration for judges in Ontario. Could the minister indicate whether this initiative for higher incomes for judges is to be followed by other provincial governments or by the federal government?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I have not seen the bill which was recently introduced in the Ontario legislature; I know only what I have read in the newspapers about it. What is proposed in the measure introduced by the attorney general is that the payment made by the province to judges exercising jurisdiction in the surrogate courts of the province be increased. This is not new. The province has always either made a payment to the surrogate judges in lieu of fees or allowed them to receive the judicial fees from the business of the surrogate courts. This, then, represents simply an increase in the amount provided from that source. I have no knowledge whether other provinces intend to follow this example. As far as the federal government is concerned anything of this nature, of course, is a matter of government policy to be announced in the usual course.

CANADIAN CENTENNIAL

INQUIRY AS TO APPOINTMENT OF COMMISSION

On the orders of the day:

Mr. Charles M. Drury (St. Antoine-Westmount): I wish to address a question to the Prime Minister. Some time ago in answer to a question concerning the nomination of commissioners to the centennial commission the Prime Minister expressed the hope that he could get some unnamed gentleman on the payroll very soon. In view of the right hon. gentleman's impending departure for the sunny south, could he make an announcement soon?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, there is not going to be any departure to the sunny south. There is simply going to be an absence for a few days on official business. As to the hon. member's question, I can only say that the appointment is about to be made.

(Translation):

FINANCE

LACK OF FRENCH CANADIANS AMONG SENIOR OFFICERS AND EXECUTIVES

On the orders of the day:

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I wish to direct a question to the Minister of Finance (Mr. Nowlan).

Could the minister tell the house when it will be possible to rectify the gross injustices that exist in the industrial development bank, where there are only two French Canadians among sixteen directors and only one French Canadian senior officer out of thirteen in the general manager's office in Montreal?

(Text):

Hon. George C. Nowlan (Minister of Finance): I have no personal knowledge of this matter. The industrial development bank has branches in various places, and I have no idea how the personnel is divided in particular areas.

I will be very glad to take a look at the matter and discuss it with the hon. member as soon as I get the information.

DEFENCE PRODUCTION

REPORTED INTENTION OF U.S. TO REDUCE FOREIGN DEFENCE PURCHASES

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Minister of Defence Production. Has the Canadian government made any formal representations to the government of the United States with respect to the decision of defence secretary McNamara to reduce foreign purchases for the United States defence department and his personally supervising and deciding on all orders over $100,000?

Hon. Raymond O'Hurley (Minister of Defence Production): Mr. Speaker, this question has been followed very closely and there has been a full discussion with Mr. McNamara and Mr. Rusk on just this question of production sharing and the other questions relating to research and development activities of the United States government here in Canada.

TRADE

WHEAT—STATEMENT ON FURTHER SALE TO CHINA

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, I should like to ask a question of the Minister of Agriculture. Can the minister advise the house, in so far as he is free to do so, with regard to the details of the most recent contract which the wheat board has negotiated with the government of China for the sale of wheat to that country?

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I have been waiting for some time for that question to be asked from the official opposition. I am very glad to be able to give that information.

The recent contract was for 870,000 long tons of wheat. The amount is roughly 34 million bushels. The estimated value is approximately $65 million. This is part of the long term agreement. This is the seventh contract under the agreement which, as hon. members know, allows for purchase of up to 187 million bushels of wheat. This particular contract brings the total contract under that long term agreement up to 145 million bushels.

As previously, payment will be made in sterling. The terms are 25 per cent cash and 75 per cent on 365 days' credit with interest. This is an extension of three months from the previous credit terms granted. This transaction was completed within the $100 million credit guarantee made by the government to the wheat board in order to facilitate the sale of grain to China.

The wheat under this latest contract will be shipped from west coast ports, including Prince Rupert, during the first half of the calendar year 1963. I hope the railways and all those concerned will co-operate in meeting the heavy orders that will be moving through the west coast in the next few months.

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I wonder if I might ask a supplementary question.

An hon. Member: Peanuts.

Mr. Speaker: Order. The hon. member has a supplementary question.

Mr. Argue: I wonder if I might ask a supplementary question following the very welcome announcement that has just been made by the Minister of Agriculture. May the house take it that the sale is a firm one, without it being necessary for the Minister of Agriculture to fly to Hong Kong in order to add his signature to the agreement?

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I recognize the hon. member for Spadina.

Mr. Argue: I think this is an important question.

Mr. Speaker: Order. I recognize the hon. member for Spadina.

CUBA—INQUIRY AS TO CHANGE OF POLICY

On the orders of the day:

Mr. S. P. Ryan (Spadina): Mr. Speaker, I should like to ask a question of the Prime Minister. Since the recent trouble in Cuba has there been any change in government policy with regard to trade with Cuba?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the policy with regard to trade with Cuba has been set out on a number of occasions in the house.

Inquiries of the Ministry

(Translation):

POST OFFICE DEPARTMENT

EXERCISE OF PATRONAGE BY DEFEATED CONSERVATIVE CANDIDATES

On the orders of the day:

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, in order to add a touch of colour to this question period, I should like to put a question to the Postmaster General (Mrs. Fairclough). Is it a fact that the Conservative candidates who were defeated at the last election are keeping the patronage and contracts in the ridings where they were defeated?

Mr. Speaker: I believe the hon. member should put his question on the order paper if he is seeking some information or would he be only making an allegation?

(Text):

UNEMPLOYMENT INSURANCE

REQUEST THAT GILL COMMITTEE REPORT BE MAILED TO MEMBERS

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, as the government benches seem to be concerned about the lack of questions from the official opposition I should like to direct an urgent question to the Minister of Labour. In view of the fact that the report of the Gill committee which was commissioned to investigate the unemployment insurance fund was to have been tabled early in the fall, will the minister assure the house that if perchance this report is completed before the recess is over, he will mail the report to the members so they may study it during their absence from Ottawa?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, I think an assurance has been given, and will be carried out, that after the report is in the hands of the government hon. members will be given an opportunity to study it during the recess. I imagine that the only way they could study it during the recess would be if they received it.

Some hon. Members: Oh, oh.

Mr. Hazen Argue (Assiniboia): Since we were supposed to have received this report last fall, can the minister assure the house that we will receive it soon?

HARBOURS

VANCOUVER—APPOINTMENT OF LAND USE COMMITTEE

On the orders of the day:

Mr. J. R. Nicholson (Vancouver Centre): Mr. Speaker, I have a question I should like to direct to the Minister of Transport. On November 26 he replied to a question which I had asked earlier in the month with regard to appointment of a land use committee in connection with the land surrounding Vancouver harbour. This committee was promised in October, 1961. The minister stated that he expected shortly to announce the government's decision. May we expect that decision before the end of the year?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I would just repeat the answer which was previously given, namely that it will be announced shortly.

INQUIRIES FOR RETURNS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to either the Minister of Finance or his parliamentary secretary. On Wednesday, October 17, over two months ago, the house passed a motion of mine calling for the tabling of all correspondence with ministers of the government regarding pay increases and negotiating procedures for the civil service. Can something be done to expedite the tabling of this return?

Hon. G. E. Halpenny (Secretary of State): I will check into it, Mr. Speaker. I do not know what the situation is right now.

[*Later:*]

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I wonder whether the Secretary of State could give a progress report on the laborious task of preparing a list of returns that have not yet been made to the house.

Mr. Halpenny: Mr. Speaker, I suggested to the hon. member earlier this week or late last week that it would be tabled.

IMMIGRATION

INQUIRY AS TO SPEED UP OF ADMISSIONS

On the orders of the day:

Mr. S. P. Ryan (Spadina): Mr. Speaker, I should like to direct a question to the Minister of Citizenship and Immigration. Has his department been instructed to speed up the admission of immigrants since he became the minister in charge?

Hon. Richard A. Bell (Minister of Citizenship and Immigration): Mr. Speaker, the department has been expeditious at all times.

PUBLIC SERVICE

RECOMMENDATIONS FOR SALARY INCREASES NOT ACTED UPON

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Is the minister in a position now to answer my questions of last week, as he indicated on Thursday and Friday he would try to do, with regard to whether there are any categories of civil servants for whom pay increases were recommended by the civil service commission but which were not granted by the government?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I have asked for a report on this matter. I have been tied up with treasury board all week and have not had a chance to look into it.

Mr. Knowles: May I ask the Minister of Finance if he will do his best to have an answer to these questions before we adjourn on Thursday.

Mr. Nowlan: The hon. member knows that I always do my best.

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225 loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

(Translation):

Mr. Perron: Mr. Chairman, when the house adjourned last night, I was speaking of the joy of hon. members of the House of Commons at the thought of being able in 1967 to approach the centenary of our confederation, in a bilingual and bicultural atmosphere in this our Canada, which can certainly give the best way of life to a people who wants security and freedom, which is everybody's aim.

To come back to the budget we are now discussing, I understand that this budget was submitted last spring when there was no Social Credit member in the house, and when those who had had an opportunity of privately discussing monetary problems from the Social Credit angle at the time were also but few. That is why we are now asked to approve a budget which comprises such important amounts as $1,616,412,380, for national defence. We also see there other very large amounts like $788,181,300 for servicing the national debt, and we will be asked at the same time, to vote only $536 million for social security, under the Family Allowances Act.

As do quite a few other Canadian citizens, I consider social security as important as national defence. I also realize that, as in today's tormented world, whole nations have, under the pretext of ensuring their security, accepted to be crushed and dominated by world communism, the democratic countries must come to the fore, and that Canada in particular, because of its immense opportunities for the development of its natural wealth, should show leadership, but Canada should also give security and freedom to the Canadian people, to the fathers and mothers of families, by providing an amount higher than the $536 million which it has earmarked this year for family allowances, so that, thanks to this raise in family allowances, our Canadian families may enjoy a better standard of living, and all our small business people, in our villages and cities, may benefit every month from this increased buying power and keep their businesses at a sufficiently high level to make it worth their while.

I do not want to repeat what I said before on family allowances. But I mention it a second time because I consider this eminently social piece of legislation which was voted several years ago, extremely significant. I shall not quote any figures, this year, with regard to a substantial increase under that legislation, because I want to prevent the present minister from committing the same

error as the Liberals in 1957, when they increased family allowances by only one dollar, hoping to persuade every Canadian into voting for them again.

Now, as I said a moment ago, we are called upon to vote a budget on the preparation of which we have in no way been consulted. However, I suppose it will be our duty to approve it since we shall have to approve or reject the current expenses, required by this government. However, knowing that another budget will be prepared during January, February or March, I hope that the Christmas and New Year spirit will inspire those responsible for the budget to provide more for family allowances so as to somewhat rejoice the hearts of many mothers who are now suffering from insecurity.

Yesterday, I made reference to hundreds of letters I have received. By doing so, I did not want to discredit certain families in Beauce who are going through hardship. In fact, if the people knew their member a little better in all our Canadian ridings, in the cities, particularly cities like Quebec, in Montreal and Toronto, they would send more letters describing the extreme poverty in which they live, having very little to put on the table, lacking the necessaries of life, and in need of a little more of the comfort and cares required for the better health of a growing generation. And we would not have to see, as we did during the last world war, enlistment in the active army of our country denied to 30 or 35 per cent of our young people because they had been underfed when they were growing up during the 1930-39 depression, under both Liberal and Conservative governments.

I hope that 1963 will bring more than an austerity budget, a budget which has been prepared last spring and which is being brought forward in slices of two twelfths, six twelfths or eleven twelfths—as one of our hon. friends opposite was telling us yesterday —thus forcing us to vote it or to accept it by piecemeal. I hope that the next budget which will be brought down when this session reconvenes, after the holidays adjournment, will include a more adequate sum as regards social security for fathers and mothers, as well as for children, these children who are growing up and who need to be better understood than we were when we were 16, 17 or 18 years old.

In 25 years from now, we should not have what are still being called, in 1962, children of the depression of the thirties.

[Mr. Perron.]

Mr. Chairman, I believe that those wishes are shared by many of us. I know that hon. members sitting on the government side have been hoping for many years to see a substantial increase in the family allowances under this eminently social piece of legislation. I have also had the opportunity to discuss privately this family allowances problem with members from the party sitting next to us in this house, and they too believe there is urgency for a substantial increase in family allowances which are now distributed in this country.

I hope that after the discussion on this budget, putting aside all political partisanship, it will be realized that tomorrow's economy will have to be directed more and more towards a distributive economy.

Let us then start by improving the legislation we already have. I therefore hope, speaking for myself and for the people of the county of Beauce, that the next federal budget will provide more than $536 million for family allowances and social security in our country.

(Text):

Mr. Beer: Mr. Chairman, I assume it is obvious or soon will be obvious that this is my initial contribution to the twenty fifth parliament of Canada. Since it is alleged that the life of this parliament hangs in the balance, I am at a loss to know whether I am making my maiden speech or delivering my farewell sermon. In any case, I believe that can only be decided posthumously.

By way of personal introduction I wish to say I have the honour and the responsibility of representing the constituency of Peel. To many of you my constituency will be known as the constituency that was so well represented by the late Mr. Gordon Graydon, who sat in this house and served this country well for 18 years and who occupied the seat immediately in front of the one from which I speak today. Of his enormous talents he gave unselfishly and without regard for his own health or his own wealth. Peel county and Canada were greatly enriched by his service, strengthened by his honour and his personal integrity and encouraged by the warmth of his personality. His passing left an insatiable vacuum in the public life of Peel county and indeed in the public life of Canada.

By way of further introduction I wish to remind this committee that Peel county is known to those of us who reside in it as the banner county of the province of Ontario. We believe we have some justification for thinking this way because Peel is a very rich and

productive agricultural area, and in addition there is a very large urban population. There has been, or there was up until 1957, a very rapid industrial growth in this area. I am pleased to suggest also that this industrial development had attained such momentum prior to 1957 that it has continued at a reasonably satisfactory rate until the present.

The purpose of debate on interim supply is to provide hon. members with an opportunity to question and criticize the government on its policies. It is a great pleasure for me to participate in this debate even though we have not as yet had an opportunity to debate a budget. Today we are asked to approve of ten twelfths of the over-all appropriation without having had a real look at some of the forward looking measures that were supposed to be envisaged—and I use that word advisedly—in the speech from the throne.

I wish to deal with three main headings in my remarks, two of a general nature and one specifically directed to eastern agriculture. Speaking in this house some few weeks ago the hon. member for York South suggested that the Liberal members were acting as though they had been out of power for 50 years instead of five years. In reply I wish to suggest that the economic decline was so great in the last five years and unemployment was so severe, and with five whopping deficits in a row, that it would not require a lot of imagination to believe in fact that the Liberals had been out of power for 50 years.

The government seemed to take considerable pride in its introduction of the Farm Credit Act and the amendments thereto, and I suggest this was a very appropriate and responsible action to take. I would remind the committee that this is a measure which makes a larger sum of money available for loans to farmers, and I say it was a very responsible and appropriate action because farmers always need more credit under a Tory administration than under a Liberal administration.

As a farmer I am not only interested in making money available to farmers at 5 per cent. I am interested in seeing to it that all our people, our small business people and home owners, have money available to them at lower rates of interest; because you cannot bleed people white with high interest rates and then expect them to buy all the manufactured articles which you wish to sell them. If the people are not able to buy the manufactured articles then the manufacturer has no choice but to discontinue manufacturing them, and if he does that he has no further choice but to discharge or displace some of his employees. These high interest rates, which go back to the conversion loan policy of the government, have had a very substantial effect on the decrease in our economic growth and on the high unemployment we have experienced since that policy was introduced.

In my opening remarks concerning the constituency of Peel I should have reminded this committee that Peel was the home of the Avro Arrow before its untimely demise in 1958, and as a farmer I suggest to the government that I am just as much interested in economic growth and development as I am in agriculture. There used to be a saying that if the agricultural community was prosperous then so also was the rest of the country. That is not true in Canada today, and as a farmer I suggest that if our economic community is prosperous, and if our business community is active, then so will our farmers be reasonably prosperous. I also suggest that the government cannot throw important industries out the window and expect our economic growth to continue at a high level.

Dealing briefly with the Avro Arrow affair, I say that no one on this side of the house would question the right of the government to cancel government contracts. Certainly the government has information at its disposal which we do not have, information on which to base its decisions; but where there is right there is also responsibility, and I believe the government had a responsibility, before cancelling the Arrow, to endeavour to find other projects which would employ the people they proposed to displace.

Second, I believe it is incumbent upon the government to endeavour by every means possible to retain our young and skilled people in the country in order to make our country grow. As I said earlier I, as a farmer, am as interested in seeing substantial economic development as I am in the policies which affect me personally, and I wish now to deal with eastern agriculture.

First I want to offer my congratulations to the Minister of Agriculture for performing his duties to the very best of his ability, but I think eastern agriculture has been conspicuously absent so far from our deliberations in this house. I have not the exact quotation with me and if I misinterpret his remarks I would apologize and endeavour to make a correction, but speaking in Calgary some time last summer the minister made a statement to the effect "that now everything is in good shape in western Canada I am going to devote all my attention to eastern Canada." In substantiating that statement I would refer to page 688 of *Hansard* for October 18, 1962, where the minister is reported as having said precisely what I have indicated, and I think it is not necessary to read it into the record.

The minister has made a few speeches concerning agriculture in eastern Canada, in one of which he told the farmers "If you fellows don't cut down on your dairy production we are going to cut off your supports," and his second suggestion was that a lot of the farms now in dairy production should be transferred into beef production. I learned two or three things as a youngster, and one I remember particularly was that when young folks talk to old folks they should know what they are talking about. I suggest that when the Minister of Agriculture starts telling farmers they should transfer from dairy production to beef production he is making a very dangerous recommendation. It is quite possible for a farmer with a few cows to milk those cows and make a living for his family, whereas if he transfers into beef production he gets involved in securing more capital and a lot larger acreage of land to engage in one of the most highly specialized games I know of. Therefore I say that his suggestion to the farmers of eastern Canada to transfer from dairy production into beef production is a very dangerous one indeed.

I am surprised that someone has not found an opportunity to address the committee on the parable of the prodigal son. We all remember how the prodigal son dissipated his reserves through irresponsible spending and, because of his ill conceived policies, was confronted with austerity and what are now known in this house as emergency measures. These austerity measures have had a far reaching effect on eastern agriculture, and time will only permit me to mention two of the ways in which they have this effect.

I first want to mention the recognized need for the government to reduce the premium on grade A hogs. This was a premium for the production of quality hogs, and its abolition is going to take between $2.3 million and $2.4 million out of the pockets of many farmers in eastern Canada. In my opinion this austerity measure will hurt farmers in general.

Because of austerity some of the essential services to farmers are being curtailed and discontinued. I want to mention the dairy industry in particular. The dairy industry of this country is a very substantial one, and I do not believe that any phase of livestock production in this country has made a greater contribution to our economic well-being than has dairying. The inventory of dairy cows in Canada runs to approximately $6 million. Our milk production last year amounted to well over half a billion dollars—$616 million. Our exports amounted to $14 million. Then we have the slaughter value of the dairy cattle. Somebody is probably apt to ask me "Well, how can you get $14 million worth of exports out of a $6 million inventory?" The answer to that question is simply this, that according to the Canada Year Book the average value of all cows in milk production is $198 per head, which is how we arrive at a $6 million inventory, whereas the cattle exported to other countries are much more valuable and probably average in the neighbourhood of $500 each.

Mr. Chairman, I suppose the dairy cow has not been dignified by having been mentioned in the House of Commons since 1957, but I make no apology for mentioning it at this particular time. A dairy cow is an animal which gets a lot of pleasure out of consuming large amounts of feed and providing milk to feed the human race. As in all animals there is a difference in the degree of efficiency, so yardsticks have been established for measuring the efficiency of a dairy cow in turning feed or fodder into milk. There are three main yardsticks in use. One is known as ROP or record of performance. This is used by purebred breeders. There are two plans, A and B. They weigh the milk from these cows daily. At regular intervals government inspectors come in and check the weighing of the milk. They also draw samples, and it is on this basis that the butterfat content is computed. Then we have a system known as DHIA, which is dairy herd improvement association. This is used largely in Ontario as a yardstick for measuring the efficiency of grade herds. Then in Quebec, in addition to the systems I have mentioned, there is another system known as the mail order record whereby the farmer weighs the milk regularly and sends in his statement, and an unofficial record is submitted.

Some hon. members may wonder what this has to do with a debate on interim supply. Well, in the first place I want to say that the backbone of the livestock industry is the purebred breeder. This is the man in the dairy business who is using the ROP system or making ROP records. It is suggested by animal geneticists that at least 25 per cent of all our dairy cattle should be under some system of record of performance. For example, in the United States their average is much higher than ours. The number of dairy cattle on ROP in some states in that country runs as high as 47 per cent of all dairy cattle. There are other states which grade down from that figure to 25 per cent, and so on. In Europe all countries, excluding France, test 24 per cent of all their dairy cattle, and in Canada we test 8.2 per cent. The value of these records has been ascertained through a study which extended over a three year period in which 9,000 cows were sold at public auctions, and it was established that the cows which had ROP records sold

for an average of $100 more than the cows which did not. So I suggest that records of performance have a very real value to the dairy producer in Canada, especially in view of the fact that we export tremendous numbers of dairy cattle each year.

It is my information that this government, as a result of austerity, has found it necessary to cut down or curtail this service. I have been advised that it has issued instructions that if any ROP inspector retires or passes out of the picture for one reason or another he is not to be replaced and will not be replaced until such time as this service is cut down to 75 per cent of its present volume. At the moment 95,000 cows in Canada are tested, and we have engaged in this particular type of work 188 inspectors. There are 102 in Ontario. The total cost of this service is approximately $1 million per year, so that if it is cut down to 75 per cent it will involve a saving of $250,000. I think this is probably false economy. I suggest to the government that in this way our austerity at this particular time is hurting farmers in Canada by limiting these essential farm services, and this is important business for us.

Therefore, in summing up, I am disappointed that austerity has made it necessary to reduce premiums on better quality hogs and that it has made it necessary to reduce these essential services to farmers. I also regret that this government has not embraced the problem of marketing agricultural products on a national basis; that it has not brought up for review the standards and grades affecting all farm products, and in particular livestock products. I am equally disappointed that there does not appear to be any recommendation regarding the health of animals and meat inspection, which was so widely mentioned in the press not many months ago. In fact this government has proven itself quite incapable of presenting to parliament any comprehensive plan for agriculture.

One of the things I learned in my youth was that it is a pretty poor concern about which you cannot say something good. I want to say about this government that I think they did a wonderful job in 1957 and 1958 in promising their way into power. I also suggest that they were fortunate in being able to purchase a short term lease of life in 1962. This reminds me of a little story. I had an Irish neighbour who said he had a hired man who was such a poor planner that he could not plan his way out of a pigsty even if both ends were open. I do not think that is true of this government, but I am suggesting that in the event of fire they might have difficulty in deciding which exit to use.

Mr. Douglas: Yesterday we had a useful discussion on the need for a better appreciation and understanding of the fact that Canada is a binational, bicultural and bilingual country. I think all of us were glad there was general unanimity in recognizing that if we are to have and preserve national unity in this country it can only be done by recognizing that there is a partnership in confederation which brought together the two great races, the two great cultures, which make up this country of ours.

Last night my hon. friend from Winnipeg North Centre pointed out that the New Democratic party has long advocated this approach. I will quote a paragraph or two from the platform which was adopted at the founding conference in August, 1961. Under the heading "Co-operative Federalism" it says:

> The New Democratic party strongly affirms its belief in a federal system which alone ensures the united development of the two nations which originally associated to form the Canadian partnership, as well as that of other ethnic groups which later made Canada their home. Canada's constitution particularly guarantees their culture. The New Democratic party will fully maintain and respect these guarantees. Canadian federalism must provide for the protection of cultural, religious and other democratic rights, permit the vigorous and balanced growth of the country as a whole, and assure provincial autonomy.

It goes on to say:

> Immediately following confederation, a federal minister was given special responsibility for relations with the provinces. It is time to revive this post. The New Democratic government will create a department of federal-provincial relations to maintain and extend co-operation with the provinces, to co-ordinate and act as a special secretariat for joint committees and councils.

Then on February 20 last, in the city of Montreal, I issued a joint statement along with the president of the provisional council of the New Democratic party for the province of Quebec. Again I should like to put on record a paragraph or two from that statement because at that time we advocated what is now being suggested, namely the setting up of a royal commission to look into how we might better implement the idea of a binational, bicultural and bilingual society. This is the statement:

> Canadians must face the fact that, almost a hundred years after confederation, our federal-provincial and French-English relations continue to be seriously unsettled and unsatisfactory. The New Democratic party believes we must not permit this situation to drift until it gets out of hand. We believe there is urgent need for a thorough study of our experience of Canadian federalism and for a careful rethinking of the relations between the two nations which together make up the basic partnership in confederation.

To this end, the federal and Quebec executives of the New Democratic party propose that a federal-provincial commission on Canadian federalism and biculturalism be immediately constituted. Such a commission should bring together and draw upon the experience and knowledge of outstanding Canadians from all parts of the country. It should hold public hearings throughout the country and invite representatives of every section of the Canadian community to present their point of view and make recommendations for appropriate action.

The New Democratic party believes that a new approach is necessary on the important problem of Canada's unity. We believe that the program adopted at our founding convention, with its pioneering conception of co-operative federalism, presents such a new approach. True Canadian unity depends on equal recognition and respect for both the main cultures of our country and this is the basis on which the New Democratic proposals are formulated.

However, the task we face as a country must be understood by all our people and this requires much more intensive thought and study.

The commission of inquiry proposed in this statement will provide the fullest opportunity for such further study. Naturally, the personnel of the commission is a matter for the government in power to decide. To illustrate the calibre of Canadian we have in mind, we mention such outstanding people as the following:—

M. Andre Laurendeau, editor in chief of *Le Devoir;* Professor W. L. Morton, chairman of the department of history of the University of Manitoba; M. Gerard Pelletier, editor of *La Presse;* Dr. N. A. M. Mackenzie, president of the University of British Columbia; Professor Pierre-Elliott Trudeau, professor of public law, Universite de Montreal; Mr. Kurt Swinton, president of Encyclopedia Britannica of Canada; M. Jean Marchand, president of the confederation of national trade unions; Dean F. R. Scott, of McGill's faculty of law; M. Jean-Louis Gagnon, editor of *Le Nouveau Journal;* M. Claude Jodoin, president, Canadian Labour Congress; Dean H. E. Read, faculty of law, University of Dalhousie; Mr. Blair Fraser, editor, *Maclean's.*

Canadians of this stature—and one could name many others—would make a lasting contribution to the constitutional and cultural future of Canada. The New Democratic party urges that the commission should be appointed now, without delay, so that Canada may celebrate the hundredth anniversary of confederation as a united country, with clear guide lines for the future.

We should like to see such a commission established, and we hope the government will give this suggestion serious consideration. But there are many things which could be done now. The civil service commission could review its whole policy of recruitment. I have been appalled, as have many other hon. members, to see the dearth of French Canadians in some of the upper brackets of both the departments and the crown corporations. It is the sheerest nonsense to say this is because there is not an adequate number of French Canadians with the necessary training or qualifications to fill these positions. The civil service commission needs to follow a policy of recruitment under which French Canadians with the necessary training and experience could be made understudies so they might automatically move into the higher positions in both the public service and in the crown corporations. This is something we have needed to do for a long time.

I was impressed by the eloquent plea made last night by the hon. member for Laurier when he asked members in all parts of the house to give their support to this idea. I would have been more impressed if I could have forgotten that he and his associates sat on the treasury benches for 22 years during which time they had ample opportunity to carry out that kind of recruitment program, a program which would have seen to it that trained French Canadians occupied senior positions in the service of the government of Canada.

The organization and methods division of the civil service commission could also reexamine the whole administrative structure to ensure that we are operating as a bilingual and binational country. I am told that in many departments letters come in French, are translated into English, the whole problem is dealt with on an English basis, then the answer is dictated in English, that letter is translated into French. This is a hangover from Canada's colonial days. An entirely new approach must be made to our administrative set-up.

There are further measures which we have been advocating, together with other members. There is the question of a national flag, a national anthem, and a constitution fully amendable in Canada. These are goals whose attainment should be proceeded with now. While I do not want to inject a partisan note into the discussion, let me say to the hon. member for Laurier who was telling the government the other night that this was their responsibility, and that they must take the initiative—and I fully agree with him—that I cannot help remembering that the Liberal government set up a parliamentary committee on a national flag which sat for two years, collecting hundreds of designs, and then dropped the matter like a hot potato. I think the time has come for all of us in all parts of the House of Commons seriously to set ourselves to the task of acquiring these national symbols which will give to the Canadian people a sense of national pride so that we can reach our centenary with a sense of greatness and a sense of belonging to a nation which has become of age.

I wish to underline what was said by my colleague the hon. member for Winnipeg North Centre last evening on this whole question of supply and the granting of money to the government. I think this parliament has really been a shameful exhibition. It is the privilege of members, before voting money, to be able to query ministers; to ascertain

what money is being spent for; and to ascertain what the government's policy is. During this period of almost three months in which this parliament has been in session we have been unable to discharge that responsibility. When we try to move to adjourn the house in order to discuss a matter of public importance, we are told that the matter is not urgent. When we ask questions on the orders of the day, we are told that these matters are more properly for discussion when the estimates come up for consideration. However, no estimates have come up for consideration, except for a few hours when we discussed the estimates of the Department of Agriculture. When we come to discuss interim supply we find that many of the ministers are absent. During Thursday and Friday of last week hardly any ministers were present. With the exception of the Minister of Justice and the Associate Minister of National Defence, no minister has taken part in the debate or made a government statement on the many questions which have been raised in the course of this debate.

When this supply motion passes, parliament will have voted to the government between $3,000 million and $4,000 million without having had an opportunity to pass a single estimate or an opportunity to interrogate a single minister. I must say that I have been disappointed that, with respect to the various questions that have been raised during the course of this debate, no statements have been forthcoming from the ministers of the crown. Let me just touch on a few of the items. Some of my colleagues raised the matter of the Columbia river treaty which is now almost two years old. Parliament has had no opportunity to discuss it. It has not been referred to the committee on external affairs. There are many questions to which members of this House of Commons have a right to get an answer. For instance, we wish to know why the McNaughton plan was shelved in favour of the plan which is incorporated into the treaty. I think we have a right to know why a treaty was signed with the United States prior to an agreement being signed with the province of British Columbia.

Many of us wish to know if this treaty leaves the Canadian government with authority to divert sufficient water to meet our expanding needs for irrigation and for domestic and industrial consumption. This matter is important not only to the people of British Columbia, although for them it is important as there are large areas of British Columbia in which irrigation would be of value. The members who come from the prairies know that if only 10 per cent of the flow of the Columbia river were diverted into the Nelson river basin it would double the flow of the South Saskatchewan river, a result which would be of immense value to the farmers in the three prairie provinces.

I think we have a right to know whether or not the government intends to facilitate the sale of downstream power benefits. The Minister of Public Works, when he was minister of justice and was speaking in Prince George on November 28, 1961, stated the government's position clearly and beyond any shadow of doubt. He said this:

> Canada is opposed to the sellout of the power we are entitled to under the treaty. Canada is opposed to long term contracts tying up Columbia downstream benefits. This would confer an enormous benefit on the Americans but, we are not prepared to permit that at the expense of British Columbia. The Bennett-United States squeeze play won't work. The power sellout has to be resisted.

Then he went on to say this:

> This is a sensible, practical and mutually profitable arrangement between two neighbours. To exchange it for a penny-wise-and-pound-foolish agreement under which this country would dispose of a great resource in its entirety would be sheer madness.
>
> It would be an act of such reckless and improvident philanthropy that would make this country the laughing stock of the world.

I submit that it will make us an even greater laughing stock if we supinely surrender and agree to the sale of these downstream benefits. Any excuse that this is being done in order to get United States dollars is surely a very lame one indeed, since the need for United States dollars is a short term requirement. The need for this power is something which will affect this country for many years to come. To me it is amazing that in this whole debate no minister from the government has stood up in order to clarify the government's position. It is true that the Minister of Public Works interrupted the hon. member for Vancouver-Burrard two or three times but, although we invited him to do so, he has made no statement clarifying the government's position.

There is also the matter of defence which I might mention. The Canadian people are anxiously waiting for some clear cut statement on the government's position with regard to nuclear arms, either with regard to whether we are going to have nuclear arms on Canadian soil, or whether NATO is going to become a nuclear power. From the Secretary of State for External Affairs and from the Minister of National Defence we have had contradictory statements. From the Prime Minister we have had some soporific platitudes. However, we have had no clear cut statement as to what the government's intention is. In the money we are voting there is money for defence, without our having

any opportunity to discuss and debate what the government's defence policy is. It is common knowledge that there is now a good deal of pressure to have NATO become a nuclear power. At the meeting of NATO parliamentarians the under secretary of the United States said that the United States government was willing to consider a request to make NATO a nuclear power. Yesterday in his report on the NATO meeting of last week, the Secretary of State for External Affairs told the house that there was discussion among the nations meeting there of the possibility of setting up medium ballistic missiles if they could be kept under some form of control. If the government is going to make a decision like this, I submit that it should be made only after there has been the fullest opportunity for debate in this House of Commons, so that members in all parts of the house can express their views, and that it should not be given to us merely as a *fait accompli*.

The government's position is as yet undisclosed. The Liberal party's position is also not too clear. I congratulate the hon. member for St. Antoine-Westmount on the excellent presentation he made the other day. I take it from his statement that the Liberal party, if NATO expresses its desire to become a nuclear power, would agree that Canada should acquiesce in that regard. As a matter of fact, according to the press the hon. member for Trinity has gone even further and suggested that we ought to enter into an agreement with the United States for nuclear weapons.

In my view there is an opportunity now for all parties in the house to state clearly where they stand on this important matter. I want to say that as far as this group is concerned we are convinced that the meagre military gains from making NATO a nuclear power would be more than offset by the tragic consequences of increasing the membership of the nuclear club. Making NATO a nuclear power is an open invitation to the Warsaw pact nations also to become a nuclear force. If the Cuban crisis demonstrated anything, it demonstrated that there was great apprehension on the North American continent when it was found that there were nuclear missiles within 90 miles of the shore of this continent.

I think we should consider what would be the effect on the Warsaw pact nations if there were nuclear weapons in the possession of West German forces, even though they were under some type of NATO control, because how effective that control would be would always be in question. I cannot imagine any way in which you would harden the situation in middle Europe more than by having West Germany armed with nuclear weapons.

We in this group believe that the ultimate hope of the world and of maintaining peace is that eventually we shall be able to get a ban on nuclear testing and that eventually we will get nuclear disarmament under international inspection and control. That is a long, hard road and it will only come about if we can lessen the tensions which are abroad in the world. We suggest that making NATO a nuclear power will not lessen the tensions but will increase them. It will harden the situation, which will make the cessation of nuclear tests and a program of nuclear disarmament much less likely to succeed.

We contend that if Canada becomes a nuclear power it will weaken our moral authority. It will lessen our effectiveness to work for mutual disarmament between the great powers in the world.

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

Mr. Douglas: If it does not take up my time.

Mr. Crouse: I have been following his remarks very closely. I should like to know what in his opinion was the deterrent that caused Russia to remove her nuclear weapons from Cuba during the Cuban crisis?

Mr. Douglas: I am not sure that is relevant to what I am talking about. If my hon. friend is talking about deterrents, may I point out that the United States today has a deterrent power about ten times as great as that of the Soviet union. We have an adequate deterrent power now and the choice we have in the world is whether we are going to develop two great armed camps each equipped with a nuclear deterrent and with no room for flexibility, resulting in an impasse out of which there can come only one thing, a war of annihilation. The alternative is to have sufficient flexibility so that nations like Canada can help to lessen the tension and prepare the way so that we can move step by step toward a cessation of nuclear tests, and the achievement of nuclear disarmament and eventually general disarmament.

One of the steps that could be taken is military disengagement through central Europe, including Berlin. No one can long maintain a static situation with two great powers increasing their deterrent capacity, because this will eventually lead to war unless something is done to lessen these tensions. We believe that Canada can play an important role in this regard and that our best military

role probably lies best in contributing conventional forces to NATO. But even more important is our diplomatic role in which we can be a power that has the confidence of other nations. Because we are a non-nuclear power, because we have no territorial ambitions and because we are not a colonial power we can help to negotiate, to lessen tensions, and thus help lay the groundwork for a peaceful solution.

Mr. Matheson: May I ask a question on that point?

Mr. Douglas: Yes.

Mr. Matheson: Does the hon. member not feel that when this government in September, 1958, selected the Bomarc, and in July, 1959, selected the CF-104, and in March, 1960, selected the Honest John, in effect they decided the policy for Canada without giving us any chance to debate it or to consider the implications of this selection of weapons, and that to some extent we are now involved in an alliance with allies to whom we have certain obligations, not because parliament had any choice in the matter but because this government—

Mr. Douglas: Mr. Chairman, my hon. friend is not asking a question; he is making a speech, and he is perfectly at liberty to do so when I have finished. I have been saying all over the country that the moment we committed ourselves to weapons which are useless without nuclear warheads we are ipso facto committed to a nuclear program and this is one of the things to which I object. I am raising the matter now because I suspect that we are again being led down the garden path and are going to find ourselves part of an alliance which is going to become a nuclear power, with the result that we will have no choice but to become a member of the nuclear club or to withdraw from the NATO alliance.

I see that my time is going, Mr. Chairman, but there are two or three other items that have been raised in this debate and on which we have had no reply from the government. Before I leave defence I should like to say that I support those who have been advocating that we should have a defence committee. Even if in that committee we could not agree completely on a non-partisan defence policy we would at least have common and reliable information, so that the members of that committee would have all the facts regarding Canada's defence forces and would be able to formulate their ideas of what should be done in the light of those facts and not on the basis of bits of information which members have to pick up from time to time.

There are two other matters I want to raise, and I will deal with them in a sentence or two. I want to raise the matter of R.C.M.P. interrogation of students and members of faculties on the campuses of universities. The other day the Minister of Justice made two statements which in my opinion were quite specious and quite evasive. He said with reference to these interrogations: "No such instructions have been given by me". Second, he said, "No special security investigations are being conducted on university campuses". This is playing with words, Mr. Chairman. Perhaps no special instructions have been given by the minister, but there are standing instructions. This questioning and interrogating of students and members of faculties of universities has been going on, and as far as we can learn it is still going on. It may be that there are no special security investigations, but the fact is that there are investigations. The Minister of Justice is not here and since he is not here I will give specific instances during the consideration of his estimates, instances which are on the record. Interrogations have been conducted, not because some student was applying for a job but students who were interrogated, and their parents interrogated, because those students took part in a ban the bomb demonstration. If the minister will look up his departmental files he will find records sent to him by the attorney general of Saskatchewan concerning interrogations which took place in that province in the year 1961.

The Deputy Chairman: I am sorry to interrupt the hon. member but I must inform him his time has expired.

Some hon. Members: Continue.

The Deputy Chairman: Does the hon. member have the unanimous consent of the committee to continue his remarks?

Some hon. Members: Agreed.

Mr. Douglas: I want to thank the committee and I can assure you I will not encroach upon its generosity.

I should like to say, with reference to this question of the R.C.M.P., that this is a continuous policy that has been carried out. No one in this party or anywhere in the house will ever object to the enforcement of law or to the arrest or punishment of those who, by overt actions, are seeking to overthrow democratic government by the use of force. However, when we prosecute innocent people on the basis of secret reports which they have never seen, on the basis of gossip, on the basis of evidence from stool pigeons, we violate the basic tenets of justice and of the bill of rights. I am prepared, when we get to the estimates of the Department of Justice, to document some of the things which I know personally have happened. I do not lay this

at the door of the present Minister of Justice. This has been going on for many years, both under this government and the former government.

The other matter I want to raise is the abandonment of railway lines on the prairies. I hope some opportunity will be given for discussing this subject. I hope we shall have some statement from the government at an early date because this is a pressing matter. As a matter of fact, I understand the premiers of the three prairie provinces are calling a conference to consider this subject. They will undoubtedly be making representations to the government as a group. I know some of them have already made representations to the government individually.

In a nutshell the situation is this, Mr. Chairman. The royal commission on transportation, in its report, said that there were about 4,300 miles of light density lines on the prairies. The Canadian National has informed the three prairie governments that there are about 2,200 miles of railway lines that are candidates for abandonment. Mr. R. A. Emerson, the operating vice president of the Canadian Pacific, has indicated there are about 2,500 miles. This means that there are between 4,000 and 5,000 miles of line that may be abandoned, and between 2,000 and 3,000 miles of this is in the province of Saskatchewan.

I will not take the time of the committee to go into what it means to have lines abandoned, to leave small communities in rural areas without railway transportation for shipping their products; the loss of investment in grain elevators, places of business and homes that have been constructed along those railway lines. What I do want to point out is that the royal commission on transportation recommended that if there were to be a program of abandonment it should be conducted in an orderly manner; that there should be a five year period of adjustment between the time permission was granted to abandon the line and putting the abandonment into effect. It was recommended there should be larger depreciation allowances to ease the adjustment, and other forms of compensation.

Mr. Donald Gordon, president of Canadian National Railways, has advocated that a master plan should be drawn up so that the citizens would know what lines were going to be abandoned and when they were going to be abandoned. He advocated that this be done in an orderly fashion. I should like to suggest to the government that representations should be made to the board of transport commissioners that no more abandonment be authorized until the government has formulated a policy and a master plan containing adequate compensation provisions. Already over 180 miles of line in Saskatchewan have been abandoned or are the subject of applications for abandonment. The chairman of the board of transport commissioners quite properly said that legally he must hear these applications and he must pass upon them. It is not his business to hold them up until the government has produced a master plan.

I hope that before we come to the next request for interim supply the government will be prepared to give some statement to the committee concerning their program and that in the meantime they will make representations to the board of transport commissioners to hold up any further authorization for abandonments.

In closing, Mr. Chairman, may I say that I have dealt with several matters, concerning all of which we would like an opportunity to question the ministers, and to hear from them statements of policy. When we come back after the recess we will be asked to pass the eleventh twelfth of these estimates. I should like to say that we should not then be blackmailed into passing them by being told, "We must have this money passed in two or three days, otherwise we cannot pay the civil service." I think we have a right to expect that when the interim supply motion is considered again we are going to get adequate replies to some of these questions, and we are going to have an adequate opportunity to question the responsible ministers regarding the supply which they are asking this parliament to pass for them.

(Translation):

Mr. Sauve: Mr. Chairman, we have been in session for 58 days, as shown on the order paper, and, all the while, we have been entitled to ask ourselves what the government intends to do about the great problems facing this country.

I quite understand why the government decided to wait until September 27 to convene the twenty fifth parliament for its first session. That does not surprise me at all. I also understand why, in a few days, the government will give us a month's holiday. It is because it has not been able to prepare legislation to deal with the great problems that are crushing the people.

The government is undecided; it does not know where it is going. The fact is borne out by the speech from the throne of the first session of the twenty fifth parliament and that of the last session of the twenty fourth parliament. Those two speeches are almost alike. If, at the time of the last session of the twenty fourth parliament, we were faced with important problems, if, at the opening of the current session, we were faced

with even more serious problems, as the Prime Minister indicated after the election, I completely fail to see why the government persists in refusing to adopt a definite policy concerning the great problems of the moment.

At the opening of the last session, a series of measures had been proposed. We came back to parliament on September 27, and the problems were still the same. We had been told that the problems were very serious.

The government, in my opinion, is incapable of dealing with the situation. We are now at our third interim supply. For the third time since the beginning of the session, the government is asking us for interim supply. We are still without a budget and we know that, upon our return in January, the government will again ask us for interim supply.

When will the government bring down a budget?

On the other hand, we know also that within the cabinet there is not so much unity as discord. In fact, the Minister of Public Works (Mr. Fulton) has seen fit, only a few months before the general election, to leave this house in order to become the leader of a provincial party which is not represented in the legislature.

Ministers are absent from the house when we are discussing legislation which the government tells us or would have us believe is important legislation. They are not here for the examination of their own interim supply. That is strange; where could they be? They must have very good reasons for being absent from the house.

When you look at the present situation, it is obvious that the government does not know where it is going.

The Deputy Chairman: Order. The hon. member's speech is very interesting and I should like to hear it. I am sure all other hon. members will agree with me and kindly co-operate.

(Text):

Mr. McGee: Would the hon. member permit a question? The hon. member was mentioning absenteeism, and I wonder if he could tell us where he was during the Quebec election?

Some hon. Members: Winning it.

Mr. Pickersgill: Where was your party?

Mr. Sauve: If the hon. member does not know, then he does not follow what is happening in this country.

Mr. Pickersgill: Where was the Tory party in the Quebec election?

Mr. Sauve: Mr. Chairman, hon. members on at least two occasions have noticed the filibuster engaged in by members of the government party on two bills. They were so much afraid of presenting new legislation that they kept on questioning and questioning various ministers. We have never seen filibustering conducted this way. May I add that in another field the government is also avoiding its responsibility; we know very well that the establishment of a national flag and anthem is solely the responsibility of the federal government. However, the government is calling a federal-provincial conference and leaving it to the provinces to decide. Then it will say to the provinces "We cannot get an agreement; it is your fault, not our fault."

Mr. Ricard: Why did you not have them before 1957?

Mr. Sauve: As my hon. friends who are learned in economics would say, when there is no input there can be no output.

(Translation):

Mr. Chairman, this government has no policy, either with regard to all the great Canadian issues or in respect of significant international problems.

Indeed, last September, all Canadians were ashamed of the attitude taken by our Prime Minister (Mr. Diefenbaker) in London, when he condemned the action of Great Britain who was about to decide joining the common market. Mr. Chairman, I say that what is good for Great Britain is also good for Canada. The Prime Minister should have satisfied himself of that fact before his departure, and he should have resorted to logic rather than expediency. Indeed, our friends in Great Britain took it upon themselves to tell him at the time what they thought of him and his policy.

The Secretary of State for External Affairs (Mr. Green) attended the NATO conference. What did he do there? He simply told our western allies: I have no policy, I cannot commit my government, my government does not know what to do, therefore I am waiting and you should wait too—you should wait as far as western defence is concerned.

I might go on and on, Mr. Chairman, and mention many other issues.

In fact, according to some forecasts, there will be 500,000 unemployed in Canada this winter. The spokesman of the Canadian Labour Congress and of the federation of national unions came to tell us that we might

have even more than 500,000. The Minister of Labour (Mr. Starr) just said: "There are more people working now than last year."

There probably are more people working now than last year. But the fact remains that those 500,000 workers are unemployed, and have been looking for jobs for quite some time. Will the reply of the Minister of Labour give them jobs?

The position of those 500,000 unemployed creates an urgent problem which the government is unable to face.

Neither does the government know how to organize this country's economic development. Experts told us so, and everybody has noticed it since 1957. The pace of national production has slowed down, yet the government just tells us one month after another: "There may, perhaps, be an increase".

We have some extremely serious problems in the field of national health. A royal commission has been investigating the problem for two years. There is no answer yet, no decision yet.

And we come to the famous Columbia river issue. I remember that during the elections, in 1957 and 1958, hon. members of this government were roaming about Canada, stating that the Liberal party did not always look after the interests of Canadians, but that they would look after them, and defend them, in spite of ever effort made by the United States.

They were promising to stand up for our interests. But did they stand up for our interests when the Prime Minister himself and the then minister of justice signed in Washington a treaty through which we were sold down the river to the United States, without the least guarantee. Since then, they have realized what they have done and they do not want to answer for it before parliament or have the matter discussed by a committee. And those are only a few of the problems I could mention. We are facing housing problems, municipal problems.

In Quebec, these last few years, efforts have been made to bring the province up to date. An economic planning board has been set up and has already produced its first report. They have tried to develop an education policy which would enable every youth to continue his studies, whatever his financial resources. School allowances have been given to parents of 16 and 17 year old students who want to continue their studies.

The provincial government has embarked upon a hospital insurance policy.

The Deputy Chairman: Order. I regret to have to remind the hon. member for Iles-de-la-Madeleine that he has to stay within the limits of federal policies and that he cannot comment on acts or legislation of the Quebec government.

[Mr. Sauve.]

Mr. Sauve: By so doing, Mr. Chairman, Quebec wanted to become an asset for the rest of Canada. We want to be full citizens and we want our confederation partners to make things easier for us. We, from the province of Quebec, want to be equal partners within confederation.

I wish to recall the wonderful speech of the Leader of the Opposition (Mr. Pearson) on this issue, as well as those made by other hon. members who have supported the fine words of the Leader of the Opposition.

What is our impression when we consider what has happened since confederation? What do we French Canadians think of federal politics? We certainly get the impression that we have given our partners the right to govern without our effective participation.

We have often given our mass support to this or that party which has made up the government, but we have given to our partners, to the Anglo-Saxon majority, the right to govern. We have nearly always obtained unimportant portfolios. True, there have been exceptions, but one constant trend can be noticed. No French Canadian, for instance, has ever been Minister of Finance. To support that statement, I only have to look at the guide of Canadian ministries since confederation. And if I had had time to peruse it further, I might have found out that there are other departments which have never been headed by a French Canadian.

That is within the jurisdiction of the house. Political parties are responsible for the present situation.

When I consider what goes on, and when I read the document entitled "Federal Administration in Canada", I find the same situation again: little or no French Canadians in important positions in the administration.

Within parties, what happens when it comes to solving problems which are particular to the province of Quebec? The situation is the same in any party. When it comes to the province of Quebec, we are told: "That is a Quebec problem. You, members from Quebec, settle that among yourselves; you discuss the matter and solve the problem."

Fear is the only word for it. Our English speaking fellow citizens are afraid to interfere in our particular problems, so that we tend to isolate ourselves. We are led to close our ranks, even in the house, and we forget

that there are Canadian problems of extreme importance which it is our responsibility to solve.

I must say, Mr. Chairman, that our English speaking partners do not always make our task an easy one.

On the other hand, I note that throughout Canada there is great sympathy for our dual culture, for the French fact in Canada. Our colleagues in the house have certainly shown much understanding and interest in the French fact, in French culture.

I should like to point out here that some members of the Liberal opposition are taking French lessons every Wednesday night.

But that is not the problem. Mr. Chairman, there exists, in some quarters, a state of mind which is not in keeping with this generous ideal shown towards the French fact in Canada by a great number of our English speaking colleagues and by the majority of English speaking citizens of this country.

One has only to consider the board of directors of the Canadian National Railways to understand my point. Besides the same situation prevails within the board of directors of the Canadian Pacific, where there is not a single French Canadian. The same goes for several crown corporations.

I have here the Directory of Directors published by the *Financial Post*, an annual publication in which are found the names of 10,000 directors of companies, of which 550 or 600 only are French Canadian names. These figures indicate a state of mind. There is a lack of faith in us. It is no wonder then that following an incident such as the one that occurred recently in the committee on railways, when the president of the C.N.R. gave evidence, there should have been an outburst of nationalism in the province of Quebec. It made it possible for a nationalist feeling to flare up.

That incident in the committee on railways simply gave us an opportunity to show what we feel since confederation. It is often said that no French Canadians are available, that they do not want to come to Ottawa, that they refuse to sit on the boards of large companies, that they do not want to leave the province of Quebec and settle in other provinces—that is probably true—but you know as I do that we are not in a bilingual environment in Ottawa, that we do not feel at home.

How can you expect a French Canadian to settle here permanently when he does not feel at home? As long as he does not feel at home, he will hesitate to settle here.

We want to feel at home here, in Ottawa, as well as in the other provinces. If we are equal partners, we have the right to take part everywhere in the nation's business, whether in Montreal, Ottawa or Vancouver.

It is possible that if one or two great French Canadian personalities were brought to Ottawa and gathered around them other French Canadians, there would come a time when the number of French Canadians would increase in the civil service. Perhaps a solution could be found then. Perhaps it would be advisable to find a man of competence and good will who would try to attract, both to the public service and to private enterprise, other French Canadians who would work with him. It is not by limiting ourselves to the recruiting of "professional French Canadians" that we will solve the problem.

Mr. Chairman, we have been in a difficult position since confederation. In my opinion, the house earnestly wishes to find a solution before the centennial, in 1967. We will have to work hard and show some generosity because if we fail to get along with each other, we will then be in an extremely difficult position. Our English speaking partners are well aware of the problem which has been facing Canada since confederation.

Over the past ten years, the Massey royal commission, the Gordon royal commission and others have carried out investigations which have led to the conclusion that French Canadians have a tendency to make their voices heard more and more and that English-speaking Canadians wish to fight against the influence of the United States.

We know very well that the United States may soon exert progressively as much influence on our political decisions as they do at present in the military, cultural and economic fields. That is why our partners in confederation, English speaking Canadians, are just as anxious as we are to maintain the political sovereignty of our country. However, we wish to be equal partners. If we fail to achieve that ideal, we may well start having our doubts about confederation, thus jeopardizing the interests of all Canadians, both French and English speaking.

All French Canadians, I am sure, will want to support the proposals put forward by the Leader of the Opposition yesterday. The sooner we learn to understand each other, to remove difficulties and to intensify comprehension between us, French and English speaking Canadians, the sooner we will be proud to be Canadians.

I take the liberty to say this, Mr. Chairman, because I represent the Iles-de-la-Madeleine riding which, proportionately speaking, had the largest number of men and women in the armed forces during the last world war. There were more "Madelinots" enlisted in Canadian armed forces than people from any other riding in the country, and I am very proud of that fact.

I do not intend to speak at great length about my riding in this debate. I will have another opportunity to do so later on. I should simply like to draw attention to an anniversary. On January 11, 1963, it will be 35 years since the inauguration of air mail service in the Iles-de-la-Madeleine, which meant that the Madelinots could get mail during the wintertime. But even today there is still one island that gets its mail from the air during the winter. In fact, they must wait till spring for mail shipments out of Entrance island. That is a problem I will discuss when the post office estimates are before us.

Mr. Chairman, my time is just about over and I should like to insist that this government must introduce legislation in accordance with the needs of the country. We want appropriate legislation to meet our needs and we are conscious that in working to that end, we are doing it for the good of the nation and in the best interests of our country.

Mr. Cook: Mr. Chairman, I should not want this debate to end without making my modest contribution.

First, I wish to congratulate the Leader of the Opposition (Mr. Pearson), the Associate Minister of National Defence (Mr. Sevigny), the hon. member for Lapointe (Mr. Gregoire) and all the members who took part in the debate, whatever party they belong to, for having ventured into a field which has been neglected for too long. I refer of course to the debate which took place all day yesterday on full bilingualism and the harmony which should exist between the two great Canadian cultures, that is the French and English cultures. This debate, in my opinion, should have been held long before today.

Mr. Chairman, in a few years, we shall be celebrating the confederation centennial. I feel that the Canadian government should begin to take its responsibilities right away and give Canada all it needs to achieve national unity.

It was said yesterday that a board of inquiry, made up of representatives from the federal and provincial governments, was on the point of being established for the purpose

[Mr. Sauve.]

of providing Canada, at last, with a distinctive national flag and a national anthem.

Mr. Chairman, I must point out that, since the beginning of the session, many members have made speeches on those two questions. As a matter of fact, the hon. member for Chicoutimi (Mr. Cote) introduced a motion for the adoption of "O Canada" as our national anthem. His motion was discussed for an hour and killed at six o'clock.

The same thing happened when the hon. member for Medicine Hat (Mr. Olson) put forward a proposal to provide Canada with a distinctive flag. Several members took part in that debate, congratulated the hon. member for having introduced a motion of that nature. In short they made their comments to extend the debate, and at six o'clock the bill was talked out.

Mr. Chairman, I sincerely believe that the adoption of a flag and a national anthem is not a matter for provincial authorities, but rather for the Canadian parliament. I do not see why the premiers should participate in the discussion since, as the country has ten provinces represented by three different parties they might perhaps raise difficulties.

Mr. Chairman, I do not intend to go on speaking about national unity, bilingualism, a distinctive flag and a national anthem, because I think that we are now considering the supplementary budget which will enable the government to continue its operations during the Christmas recess.

In fact, I am of the opinion that the best way to attain this national unity which we all want would be to start by agreeing ourselves, among Canadians, and for the government, whichever it is, to understand the needs of Canadians in order to be in a position to give them what they ask for and what they need.

If I consider the details of the supplementary budget that was issued to us recently, I see that very few estimates can interest the working class, our family heads and our Canadian unemployed.

Maybe it is normal that we have a deficit budget every year. But if despite these deficiencies we have unemployed and Canadian citizens who starve to death in a country as rich as ours, I do not believe it is normal to have such deficits. I would agree to a deficit if we were giving to one and all a decent living. But if we visit the country, we see that those deficits have not settled unemployment and that the ills which existed in many of our ridings are still there.

(Text):

An hon. Member: Order.

The Deputy Chairman: It being five o'clock it is my duty to leave the chair in order that the house may proceed to deal with private members' business under the provisions of standing order 15.

Progress reported.

Mr. Speaker: It being five o'clock the house will turn to private members' business. We shall consider, first, private bills appearing on page 21 of today's order paper.

PRIVATE BILLS

MERIT INSURANCE COMPANY

The house in committee on Bill No. S-14 respecting Merit Insurance Company—Mr. Macnaughton—Mr. Paul in the chair.

On clause 1—*Name in French.*

Mr. Berger: I think all members of the committee have some knowledge of the purpose of the bill which is, as I understand it, to give to the Merit Life Insurance Company the right to use a French version of its name. In my view, before the House of Commons passes this bill—though I understand that in the past bills of this nature have gone through as a matter of course—we should know something about the company which is seeking to have the right to use a French version of its name. I think the committee is entitled to know who owns the company and who controls the company. We in Canada have seen more and more of our industries, our resources and, in fact, even our savings drifting away from Canadian control. At some time during the debate on clause 1 of the bill I should like to see the hon. member who sponsored the bill rise and tell the committee who controls this company. My information is that the Merit Life Insurance Company is connected with the Industrial Acceptance Corporation and that in fact it is controlled by the Industrial Acceptance Corporation. May I say that it is a large investment corporation which is under the control of the Murchison brothers of Texas—

Mr. Douglas: Of pipe line fame.

Mr. Berger: Yes; as the hon. member for Burnaby-Coquitlam says, members of the Murchison family of pipe line fame. I do not think the parliament of Canada should allow this bill to go through without finding out some of these things—without finding out why we are being asked to give to a company which is controlled in the United States the right to use a French version of its name. Was this decision to apply to the parliament of Canada for the right to use this name a decision which was made in Canada or was it made in the United States? I suggest that it is time the parliament of Canada became interested in what is happening to Canada's economy, as we are losing control over our own resources, industries and savings.

As a new member of the House of Commons and, I hope, a reasonably conscientious one, I tried to find out something about this company. I studied the report of the superintendent of life insurance. It is an extremely bulky report which runs into many hundreds of pages. The report of the superintendent of life insurance does not reveal the ownership of the insurance companies which are mentioned there. I suggest that this is an astonishing state of affairs when there is published and made available to members of parliament no information which will tell us who owns the company upon which we are being asked to legislate—who owns the company to which in this case we are being asked to give the right to use a French version of its name.

From the report of the superintendent of life insurance we can find out that the life insurance companies received $1 billion in premiums from Canadians last year. We can find out that this money was reinvested in government bonds, in mortgage loans to Canadians wishing to build homes and in many other types and varieties of investments. However, the startling thing, the thing about which I think all hon. members of the House of Commons ought to be concerned, is that we cannot find out who owns these life insurance companies.

My information is that the Murchison brothers of Dallas control a gigantic financial empire, and have control over $6½ billion worth of industrial and financial assets. Of course, the Merit Insurance Company is part of that empire; it is a part falling under the Industrial Acceptance Corporation. These people control mutual funds, mortgage companies, railroads and all kinds of things. I am concerned about this. Canadian savings are falling under their control. When one of the offshoots of this financial empire comes under the scrutiny of the parliament of Canada, I suggest that members of parliament ought to take the trouble to require the member bringing this bill before the House of Commons to tell us exactly who owns this company.

When I say that it is a company which is controlled by the Murchison brothers of Dallas, Texas, I hope that no hon. member will think I am seeking to deprecate or to criticize the fact that the Murchison brothers of Dallas, with the benefit of a few million dollars which their father just happened to have around, were able to obtain control of a good deal of industrial and financial wealth. I am not deprecating or criticizing the fact that they used this money in order to build this financial empire. What I am deprecating, however, is the tendency of the parliament of Canada simply to pass a bill of this kind as a matter of course.

The Deputy Chairman: Order. The hon. member is now discussing the board of directors of the Merit Insurance Company. I am obliged to tell him that we are discussing the opportunity to give a French name to the Merit Insurance Company. If the hon. member reads rule 59(2), I am sure he will agree that at this time he cannot discuss all the business of the company. I am also sure he will try to stay in order and discuss only clause 1 of this bill.

Mr. Berger: I appreciate very deeply, Mr. Chairman, your advice as to the propriety of the remarks I have been making. I can assure you that it was my intention throughout to discuss only clause 1 and to deal only with matters which were relevant to clause 1.

Let me make it clear that, if this company is seeking to use a French version of its name, this is a matter of some moment not only to members of the House of Commons who represent constituencies in those parts of Canada which have a predominantly French speaking population but also to all other members of the House of Commons since, in my opinion, it is something which affects the whole question which I sought to raise and which I will try to justify to you, Mr. Chairman; I refer to the question of foreign control over Canadian industry.

The Deputy Chairman: Order. I cannot accept the remarks of the hon. member, as he is again trying to discuss the activities of the company. The principle we are discussing is the opportunity or otherwise for this company to use a French name and an English name in its business. That is the only question we have before us for study at the present time. In my opinion, the hon. member may not discuss any other subject than this one, which is included in clause 1 of the bill respecting Merit Insurance Company.

Mr. Berger: Let me say at once, Mr. Chairman, that if the only thing we had under consideration was whether or not it is a good thing for corporations carrying on business in Canada to use French versions of their corporate names in French speaking parts of Canada, I suppose all of us would agree with the clause in question which gives effect to this intent and would agree to pass it without any objection whatever.

Mr. Crestohl: That is the only question before the committee.

Mr. Berger: However, Mr. Chairman, we are concerned about the propriety of this corporation being given the right to use a French version of its name. We are not dealing only with the question whether it is advisable generally to allow corporations to use French versions of their names. We are concerned about this corporation. I suggest to you, Mr. Chairman, and to members of the committee that, in the exercise of its supervisory jurisdiction over the insurance companies which carry on business in this country, the House of Commons must know who is seeking to use this name.

The Deputy Chairman: Order. The committee is not to discuss or try to ascertain the purposes of the directors of the company in seeking to use a French and an English name. We are not to discuss all the activities of the company. We are only to study the merit of this bill and the opportunity for this company to do business under either a French or an English name. That is the only matter we can discuss. If the hon. member will look at the bill he will see that the explanatory note says:

> The sole purpose of this bill is to add a French version to the name of Merit Insurance Company.

I am sure the hon. member will try to be in order and to make his remarks relevant to the principle of the bill.

Mr. Douglas: On the point of order, Mr. Chairman, I recognize that there are limitations to what one can deal with on the first clause, but I submit that if this committee is being asked to allow the company to adopt a French name surely the committee also has some responsibility to ascertain who it is that is asking for this privilege. Are they responsible people? What is their background? What is their rating in the community? Surely these are relevant questions. Surely the committee is not going to be faced with a simple yes or no with regard to whether the company should be granted or denied this right. How can the committee decide unless it ascertains who it is that is making the request, what their status is and whether or not they are worthy of receiving this privilege?

The Deputy Chairman: With regard to the remarks made by the hon. member for Burnaby-Coquitlam, if he will read standing

order 59 (2) I am sure that with his experience he will realize I am obliged to ask the hon. member who had the floor to be in order and to speak only on the purpose of the bill. It is not my privilege to extend the limits of the debate. I am obliged to ask the hon. member to respect the ruling of the Chair.

Mr. Gregoire: On the point of order, Mr. Chairman, in the same clause 1 provision is made for the company to sue or be sued in either or both names. If such permission is given to a company it is normal to investigate that company to decide whether permission should be given to do business in this way. Therefore, why should we not investigate the whole company? I suggest that the hon. member was completely in order.

Mr. Macnaughton: Mr. Chairman, if I may be given the opportunity to answer some of the allegations I would be delighted to do so. As my first point I should like to say that private bills, of course, need a sponsor and accidentally, or co-operatively if you wish, I happen to be the private member sponsoring this bill. I have no personal, financial interest in the company or its shares and no personal interest in the directors or anything else.

Mr. Pickersgill: Mr. Chairman—

The Deputy Chairman: Order. I think the hon. member is not discussing the point of order but is answering the remarks that have been made.

Mr. Pickersgill: Mr. Chairman, I should like to say a word on the point of order.

Mr. Berger: Mr. Chairman, I would be pleased to—

The Deputy Chairman: Order. I would ask the hon. member for Mount Royal to discuss the point of order only at this time.

Mr. Macnaughton: Are we discussing the point of order? I should like to answer the points raised if I may have the opportunity.

Mr. Pickersgill: Mr. Chairman, I should like to say a word on the point of order. What the hon. member for Burnaby-Coquitlam is saying is that some people should be denied the right to use both of the official languages of this country. That is the gist of his point of order. It seems to me that is a most extraordinary doctrine to be propounded in this house, that we have to investigate the background of someone before we will allow him to speak French. Considering the debate we were having up until this bill came before us, I must say I am absolutely astonished to hear the hon. member for Burnaby-Coquitlam favour a certain measure of unilingualism in this country.

Mr. Crestohl: On the point of order, Mr. Chairman, I should like to point out that we are not now examining whether or not this company should be created by statute. The company has been created. Its powers have already been established. It is an existing company and we cannot go into that phase of the company's existence or history. The company has already been established by parliament. You are perfectly right, Mr. Chairman, that the only question is whether or not the company can use a French version of its name, a name that has already been established by parliament. In my view that is the sole issue that anyone can possibly debate.

Mr. Macnaughton: Mr. Chairman—

The Deputy Chairman: The hon. member for Drummond-Arthabaska.

(Translation):

Mr. Ouellet: Mr. Chairman—

The Deputy Chairman: Do you still address yourself to the point of order?

Mr. Ouellet: Yes, I may deal with the point of order.

Mr. Chairman, it is agreed that we are faced with a normal situation. Hon. members have discussed in the past a bill to incorporate this company, when it was organized. If at that time, it was not wanted, they should have opposed it then, I think.

Faced with this problem, some may be embarrassed. But we must be realistic about the request submitted by this company. I agree with the point you have raised, Mr. Chairman, that details cannot be debated at this stage, because the point is out of order and is not relevant to this bill.

However I suggest it is most unfortunate that such things should happen. Besides, this is no time to go back because parliament has already decided.

Now, that company asks us permission to use a French name. Why? Because it suits them. It is rather difficult for us to refuse.

On the other hand, I think it would be time for parliament, when new requests are made by foreign companies, to discuss their merit before approving them, so as not to be faced again with the same problem.

When companies want a change, which is consistent with the charter given them by the

federal government, they should not bother parliament with this kind of thing. I understand the hon. member's remarks in that respect, but I agree with the point you raised, Mr. Chairman, and I think the house could hardly turn down the company's request for a French name.

(Text):

Mr. Berger: On the point of order, Mr. Chairman, let me deal very briefly with the proposition advanced by the hon. member for Bonavista-Twillingate. He suggested that the hon. member for Burnaby-Coquitlam had attempted to deny to Merit Insurance Company the right to use one of the official languages. We are considering quite a different thing here. We are considering the right of a corporation to carry on business under a certain firm style or name.

Some hon. Members: No.

Mr. Pickersgill: The same name in both languages.

Mr. Berger: This is an entirely different thing. I suggest that it must cause some consternation to hon. members to see the hon. member advocating the indiscriminate use of names, perhaps of historical significance, perhaps of significance of another kind, by anyone who wants to use them. I was surprised to see his willingness to champion the life insurance companies of Canada carry him so far. When parents have a baby christened and give it a name they give serious consideration to what name they will bestow upon it. This name is being bestowed upon this corporation by the parliament of Canada and I suggest that the parliament of Canada should consider whether this name ought in fact to be bestowed upon this company. I would plead that members of the house have a right to know who it is that is seeking to have the right to use this name in Quebec, and in other parts of Canada where the French language is spoken. I suggest that the rules of order, and I have read the rule to which you referred me, Mr. Chairman, do not prevent parliament from investigating that matter.

Let me say I would be very pleased to yield the floor, when we have disposed of the point of order, to the hon. member for Mont-Royal so that he might have an opportunity to enlighten the house on the questions I raised earlier in the debate.

Mr. Macnaughton: Mr. Chairman, I am delighted to have the French version of Mount Royal given by my hon. friend. It is not my purpose to engage in a debate with any hon. member. However, the hon. member made one or two unsubstantiated allegations. I think it is my duty, indeed my solemn duty, to bring these facts to the attention of the committee.

The allegation is that the Murchisons are interested in this company. First of all, let us start at the beginning. Merit Insurance Company is wholly owned by the Industrial Acceptance Corporation. The information I am going to give to the committee I got on the end of the telephone a week ago and I reconfirmed it this afternoon with the attorney for Industrial Acceptance Corporation. There are 9,331 shareholders of Industrial Acceptance Corporation holding 5,889,039 shares. Of these shareholders, 8,319 are in Canada. The Canadian shareholders hold 77.1 per cent of the company's stock and 813 of the shareholders are citizens of the United States holding 19.1 per cent of the stock of Industrial Acceptance Corporation. In other words, generally speaking, 8 per cent or 9 per cent of the stock of Industrial Acceptance Corporation is scattered throughout the United States and 90 per cent is held in Canada by Canadians. I am told that the Murchisons have no interest whatever in Industrial Acceptance Corporation and do not own any stock, consequently they own no stock in Merit Insurance Company.

The company was incorporated in 1953 and has been writing insurance policies throughout Canada in English or French at the request of the applicant. About 30 per cent of the business is done in Quebec; 25 per cent of the business is in Ontario—I am speaking of the Merit Insurance Company—25 per cent is done in the maritimes and 20 per cent is done in the western part of Canada. There are 67 offices throughout Canada and in the year 1961 the Merit Insurance Company employed 472 persons. The premium volume of insurance written in 1961 amounted to about $12 million. Approximately one third of the company's offices are located in the province of Quebec and perhaps a little bit less than one third of the company's business arises in Quebec province. It seems to me not only normal but right that the company should ask for a French version of the company name. I would be delighted to give any further information that I have.

(Translation):

Mr. Gregoire: Mr. Chairman, I should like to speak of the name of the company. It is called the Merit Insurance Company, but I would call it myself a finance company. What happens when an insurance company such as this one is directly connected with a finance company, like the Industrial Acceptance Corporation, for instance? When you buy a car,

the finance company puts you on a financing plan and then you have to get insurance from that company.

The Deputy Chairman: Order. I regret to interrupt the hon. member but I believe his remarks are not relevant to the item now under consideration. The committee is called upon to decide whether the Merit Insurance Company may use in the future, in the transaction of its business, either a French name or an English name. The hon. member for Mount Royal (Mr. Macnaughton) explained to the committee why the company wishes to obtain a French name.

I regret to have interrupted the hon. member but I feel sure that he will comply with paragraph 2 of section 7 of standing orders.

Mr. Gregoire: In compliance with that standing order, I should like to speak about the use of a French name, to which I do not object. On the contrary, I am pleased that this company wants to use a French name. But that name is composed of three words: Merit Insurance Company. I have something to say about the word "Insurance" because I find that it is not appropriate. When a company deals with financing instead of insurance, why should it use the word "insurance" in its name? It is precisely about that word that I wish to speak because, as I was trying to explain, Mr. Chairman, when an insurance company is related to a finance company which requires the purchaser of a car to obtain insurance with that company—

The Deputy Chairman: Order. The hon. member will please note that his remarks are irrelevant. He is dealing with possible business connections between the Merit Insurance Company and the Industrial Acceptance Corporation. I respectfully submit that his remarks are out of order.

Mr. Gregoire: Mr. Chairman, I shall then conclude my remarks. I thought that the French words had a certain meaning, according to their use. Since it is out of order to define the meaning of words, I prefer to refrain from speaking.

(Text):

Mr. Herridge: I did not intend to say anything in this rather interesting and unusual debate but I have been prompted to do so as a result of the discussion. I trust that you will not rule me out of order, Mr. Chairman, because you will find I am in order when I am finished. I must say that I feel your ruling is rather narrow because, during my 17 years experience in this house, when telephone companies have come to ask for an increase in capital or other changes in their acts of incorporation, there has been a wide discussion of the affairs of the companies. This applies also to pipe line companies and companies of that sort. These bills have frequently been referred to committees for further study. However, I shall bow to your ruling and not go into the affairs of this company.

I do want to bring something to the attention of the committee which is somewhat related to this bill. We should support the right of the company to have its name printed in both languages according to the terms of the bill, and I suggest the company should have its policies and other literature printed in both languages so that all Canadians, regardless of their descent, will be able to understand them. This bill will not affect my constituents to any great extent and for the following reason—I want to give the reason, and it is based on a telegram I have just received from the mayor of Trail.

I want to point out, Mr. Chairman, that while the government fumbles and goes along a certain way in respect of the necessity for insurance, the people of Kootenay West continue to set records. I wish to bring to the attention of the committee the fact that on Saturday, December 15, the city of Trail completed eight full years without a fatal accident. This is a record for cities of over 10,000 population, not only in Canada—

The Deputy Chairman: Order; I think the hon. member has forgotten the remarks he made when he started to speak. When he speaks about some accidents, I think he is straying from the bill.

Mr. Herridge: You quite misunderstood my remark, Mr. Chairman, and if you will just let me finish the next sentence or two you will see the point.

This is a record for cities of over 10,000 population, not only in Canada but in the whole of North America; a record indicative of a safety conscious citizenry, particularly in view of the fact that Trail has one of the highest per capita ratios of cars in Canada. This record set by the city of Trail emphasizes the civilized society which prevails in Kootenay West. Now, Mr. Chairman, I want to point out that if the people of the rest of Canada established such records there would be little necessity for bills of this type, either in the English or French language.

My second point is that, regardless of the care my constituents take and the records they establish in this respect, they do not get any particular benefit from that care and for acting in such a civilized manner, under this bill or any other insurance bill. I suggest that this record established by the city of Trail should be studied by the companies concerned, and even by the governments

concerned, to find out why this record is possible. I say it is possible because of good civic government and a very civilized people.

Mr. Berger: Mr. Chairman, since the debate is now of wider limits than it was intended to be, I wish to conclude my contribution to it by acknowledging what I think will be the thanks of the committee as a whole to the hon. member for Mount Royal. I hope, that, having heard me use one of the official languages of Canada in describing his constituency, there will not be any attempt on the part of any hon. member to question my right to use both official languages, although perhaps it would be understandable if there were such an attempt. At any rate, my wish in speaking to clause 1 was not to impede the progress of commerce in Canada, but rather to make sure that—

Mr. McCleave: You should apologize.

Mr. Berger: I think there was an interjection by some hon. member to the effect that I had made a lot of fuss, but I think that it is the right of hon. members to make a lot of fuss when they think something is happening which requires clarification, and I make no apologies for speaking under these circumstances.

Mr. McCleave: False facts; you must apologize for them.

Mr. Douglas: Mr. Chairman, I object. The hon. member should stand up.

Mr. McCleave: The hon. member is giving us false facts and should apologize instead of putting a halo over his head.

Mr. Douglas: Mr. Chairman, the hon. member who interrupts has been sitting muttering into his beard for the last five minutes. If he has anything to say let him get up and say it. There has been no false start. The hon. member for Vancouver-Burrard has a perfect right to contribute to the debate. If the hon. member for Halifax wants to be a trained seal that is, of course, his business, but he need not expect any other hon. member to act the same way.

Mr. McCleave: I will repeat, the hon. member from the N.D.P. has been giving the committee false facts about the ownership of the company. He was basing his whole argument on that, and at least should have the grace to apologize for wasting our time.

Mr. Douglas: If that allegation is going to be made I am going to ask that we postpone consideration of this bill until all the facts are brought down, until we know how many shares are held by these various directors, how many in trust and how many in escrow, so that we will know which of these people are actual directors.

Mr. Crestohl: That will be completely out of order.

The Deputy Chairman: Order. May I point out that if an hon. member wants to have the floor he must be recognized by the Chair, and if another hon. member is speaking he is obliged to ask his permission to ask him a question. If all hon. members of the committee try to keep this rule I think we will not have trouble. I now ask the hon. member for Vancouver-Burrard to complete his remarks.

Mr. Berger: Thank you, Mr. Chairman. I was about to acknowledge my thanks, and I think the thanks of the committee, to the hon. member sponsoring the bill for providing the committee with what is really, with all respect to him and I do not think he will take it amiss, a fairly scanty rundown of the company's corporate structure. One hon. member suggests that I did not give the committee the facts, but hon. members will recall that I opened the debate by telling them I had certain information, that I had taken the trouble to study the report of the superintendent of life insurance, that I had checked with the companies branch of the Department of the Secretary of State and I had discovered that there was no public document available to members of parliament which gave them the information I was asking from the sponsor of the bill and which he was good enough, at least in part, to provide the committee.

Under those circumstances I suggest there is no necessity for an apology. I think some hon. members of the committee will regard it as worth while that the committee now has some idea of what and who Merit Insurance Company is. I also believe that because of what has transpired today the committee requires additional information. The hon. member for Mount Royal did his best, but I suggest we really do not have a complete picture regarding the ownership of the company.

He said the majority of the shares were held by Canadians, but how many of those shares are held by Canadians as nominees, how many are held in trust and how many are held in escrow? In other words we certainly do not know who controls this company, and I urge the hon. member to consider asking leave of the committee to have this bill stood down so that upon another occasion he might come before the committee and advise it fully, as I am sure he would wish to do, regarding the ownership and control of the company.

I say, as I attempted to point out a moment ago before an hon. member in the Conservative ranks interrupted me, that I was not

seeking to impede the progress of commerce in this country and to prevent a company in the life insurance field carrying on legitimate life insurance business. I simply wanted to know who these people were who have come before parliament asking to use a French version of their name. I now have some idea who they are, but I do not think we have been given a complete picture. I do not think anyone can blame the hon. member who sponsored the bill for that, and I suggest to him he ought to consider asking leave to have the bill stand so that on another occasion he can tell all hon. members of the committee everything they want to know about the ownership of Merit Insurance Company.

The Acting Chairman: Shall clause 1 carry?

(Translation):

Mr. Plourde: Mr. Chairman, if the propaganda in favour of bilingualism has awakened those corporations, I congratulate them on their reaction, it is marvellous. But if their only intent is to extend their operations and to increase their volume of business, then it is a different story. As a matter of fact we will still be the ones to suffer, because we will have been unfairly dealt with.

Mr. Chairman, if all the English insurance companies want to add a French name to their English one, it would be preferable to amend the act and to generalize its application, so that corporations may have an official name in both the official languages of the country, French and English. I suggest that in a bilingual country such as ours, such a situation should have obtained a long time ago.

(Text):

Clause agreed to.

Clause 2 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported and read the third time and passed.

SECOND READING—SENATE BILL

Bill No. S-16, respecting The Imperial Life Assurance Company of Canada—Mr. Hellyer.

BRUCE REID CAMPBELL

The house in committee on Bill No. SD-2, for the relief of Bruce Reid Campbell—Mr. MacEwan (for Mr. Mandziuk)—Mr. Paul in the chair.

On clause 1—*Marriage dissolved.*

The Deputy Chairman: Shall clause 1 carry?

Mr. Peters: Mr. Chairman, I am wondering what scrutiny the committee gave to this bill, particularly in light of the previous bill which we discussed, in which certain charges were made which were quite easily established. I notice that in this bill there is reference to investigators. To my mind this always raises the question as to who those investigators are, whether they are licensed by the Senate and have the right granted to them by the Senate to practice their profession. I also wonder whether the Senate has made investigation of these people. I raise this point not only in relation to this bill but also in relation to a number of cases in which investigations took place and perjury charges were laid. Some of the detectives concerned, with whom I am not familiar, have been convicted in various courts in Ontario and in the province of Quebec, and I am wondering whether the committee took the trouble to investigate these particular witnesses to ascertain whether they fell into that category.

Mr. Chairman, this is doubly important because the evidence we are looking at was obtained on January 29, 1962, which is a long time ago. It has been renewed by petition, in which the Senate asked whether the parties wished to go ahead with the case and whether or not during the period which had elapsed between the two hearings the petitioner and the respondent had got together and continued to live as man and wife. This is very important because certainly jurists have indicated that evidence given by detectives has to be closely scrutinized in view of the fact that these people are paid for the information they give. They are not disinterested witnesses; they are paid witnesses. It is interesting to note that in the supreme court of Ontario—

Mr. Pickersgill: Mr. Chairman, I should like to raise a point of order. Your Honour was commendably strict, I thought, when we were considering another private bill, in having the discussion adhere strictly to the bill and to the clauses in the bill. I have been listening attentively to the hon. gentleman and he appears to be wandering all over the lot, talking of this case, that case, and the other case. It appears to me that there is only one case before us, and that is the particular case we are discussing. I submit the hon. member should be confined strictly to clause 1 of this bill and to no other.

Mr. Barnett: Mr. Chairman, on the point of order raised by the hon. member for Bonavista-Twillingate, I was listening closely to the remarks of the hon. member for Timiskaming. While it is true that he did make reference to the fact that investigators were used in various cases, I felt that he was leading directly to an assessment of the particular bill before us and that he was merely comparing the manner in which investigators were used in this case with what was a general practice in connection with such

bills. With all deference to the remarks made by the hon. member for Bonavista-Twillingate, I submit that his point of order is not well taken. I think the hon. member for Timiskaming was relating his discussion to the question whether or not it was advisable for this bill to pass through the committee stage at this time.

Mr. Berger: Mr. Chairman, on the point of order, I was listening with a good deal of interest to the remarks of the hon. member for Timiskaming, and I appreciated the way in which he was developing in a logical fashion his argument on this part of the bill. The hon. member for Bonavista-Twillingate criticized him because he was discussing other cases.

Mr. Pickersgill: I did not criticize.

Mr. Berger: I suggest that anyone who, in developing an argument, contrasts and compares experiences in other cases with what has happened in this case is using a perfectly legitimate technique of logic or advocacy. It may be that in the past the hon. gentleman who objected has not been used to listening to well developed, logical arguments; but I think now that he has been exposed to that type of discussion, at any rate since September 27, from the members of this party perhaps he should restrain himself and listen for a while. I think that he would then appreciate that, far from being out of order, the hon. member for Timiskaming was in fact enlightening the committee in a way in which in the past it has rarely been enlightened.

Mr. Pickersgill: Mr. Chairman, may I say a further word on the point of order. I was not arguing or criticizing anything. I was drawing attention to the fact that the hon. gentleman had not mentioned the clause of this particular bill; that he was talking about a number of other cases. I was just suggesting that the same rules should be applied in one case as in another. I might add, since the hon. gentleman who has just spoken is, of course, so much more experienced than some of the rest of us, that in committee stage of a bill it is not a question of advocacy; it is a question of examining the clauses. The advocacy is done in the house, not in committee. In committee we examine the clauses and stick strictly to the clauses. At any rate, that is what the rules say.

Mr. Berger: On the point of order, Mr. Chairman, may I reply briefly to the hon. member who has just spoken. The hon. member will recall that when we were debating the motion for second reading he urged upon the speaker that there should be no advocacy allowed at that stage. Now the hon. member for Bonavista-Twillingate says that there ought to be no advocacy at this stage of the bill. I take it that the hon. member feels that there is no room for advocacy in this House of Commons. I realize he has had a great deal more experience in this house and in other spheres of government than many of us here, but I suggest that none of us who are new members of this house ought to be bashful about putting forward what we consider, after reflection, as being legitimate comments about the way in which the business of the house is conducted.

Mr. Crestohl: On this point of order, I am afraid Your Honour has been deluged more by the experience than by the actual case. I know the hon. member for Timiskaming has no intention of being unfair in what he is saying, but when he speaks about investigators who have been before the courts, investigators who have been convicted, he is speaking in general terms and we have no way of knowing whether these are the people who should now concern us. Unless the hon. member has something to say which casts doubt upon the accuracy or upon the character of these particular investigators, it is not permissible for him to make the statement he made. From his general statements about investigators who have been before the courts or who have been convicted, one might assume he was speaking about investigators who appear in this particular case, in this bill which is now before us, and he might be unfair in doing so although he did not mean to be unfair.

I think my hon. friend from Bonavista-Twillingate was right on the point when he asked that the hon. member should stay closely to the allegations made in the bill and not go far afield, unless there is an association between the statements he has just been making and the present investigators. Otherwise, as I say, it is unfair and an injustice is being done to them.

The Deputy Chairman: Order. I thank hon. members who have taken part in the discussion on the point of order raised by the hon. member for Bonavista-Twillingate. I think there was a wide discussion. I am sure the hon. member for Timiskaming, with his experience, will try to stay within the limits of this debate.

Mr. Peters: I appreciate the remarks which have been made on the point of order. I am trying to follow the advice which has been given me. Unlike many other members of this house, all the legal training I possess has been received in the house itself. I am seeking to argue my point under the eyes of many learned counsel here and, sometimes, I am

confused about the different opinions they give me. However, I understand that in law that is often the situation.

The two gentlemen we are concerned with here are George Roland Foucher, of Montreal, Quebec and Jean Vinet, also of Montreal. I do not know if they have been involved in court proceedings but I think the hon. member for Cartier would agree with me that somewhere along the line we shall have to ascertain which people have been convicted of offences, whether I do it personally outside the house or whether it is done here in the miscellaneous private bills committee or in the committee of the other place. There would, then, be no aspersions cast on those who were left. On the other hand, cases in which those who had been convicted were involved would be thrown out. This question would not be so serious if it were not for the fact that there have been six or eight persons of this sort before the courts in the last six months. I am not in a position to say who they are. Perhaps these two gentlemen are not among them.

Since detectives have been used in this case I think the committee should give consideration to some of the legal opinions which have been expressed on this particular subject. I should like to refer to one which was quoted in the case which arose fairly recently. Power at page 335, puts it thus:

Evidence of adultery given by private detectives is subjected to the most careful scrutiny.

Mr. Pickersgill: I am rising again on a point of order. Can the hon. member relate what he is now saying to this particular bill? Are the investigators he is talking about people who have anything to do with this case? Has the hon. member ascertained that to be so? If he has not, why did he not go to the miscellaneous private bills committee and find out?

Mr. Peters: The hon. member who has just spoken draws attention to one of the ignorances of the house in relation to these bills. I do not know this, and until I do they are all suspect as far as I am concerned.

Mr. McCleave: And smear everybody while you are doing it. It is nothing but a smear.

Mr. Peters: Every time the hon. member for Halifax stands up in this house he does not smear me, he smears himself. He has cast so many of these aspersions that I suggest people will judge him according to those aspersions.

Mr. Pickersgill: After that exchange of compliments could we have a ruling on the point of order I have raised?

The Deputy Chairman: I thank hon. members for the remarks they have made. It is my view that the last comments, in particular, made by the hon. member for Timiskaming were very far from the principle of the bill. I am sure he could make his observations apply directly to clause 1 of the measure we are considering. In any case he cannot discuss activity leading up to the bill.

Mr. Peters: I presume, therefore, that we should proceed to study the evidence given by these gentlemen so that we can judge for ourselves in this particular case. The record tells us:

George Roland Foucher appeared as a witness on behalf of the petitioner and, having been duly sworn, testified as follows:
Q. What is your full name?
A. George Roland Foucher.
Q. What is your age?
A. 45.
Q. Where do you live?
A. Montreal.
Q. What is your occupation?
A. Investigator.

Here, Mr. Chairman, is the point at which I suggest the question should have been asked whether or not the witness has been found guilty of any infraction of the law in relation to his occupation. This question should have been replied to in the negative—

Mr. Pickersgill: Would the hon. member permit me to ask him if that is not precisely the kind of question the late Senator McCarthy used to ask in another committee?

The Deputy Chairman: Order. It being six o'clock shall I rise, report progress and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Clause stands.

Progress reported.

Mr. Speaker: The hour for the consideration of private members' business having now expired, the house will revert to the business which was interrupted at five o'clock.

(Translation):

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45

and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

At six o'clock the committee took recess.

(Text):

AFTER RECESS

The committee resumed at 8 p.m.

(Translation):

Mr. Cook: Mr. Chairman, when I had to interrupt my speech to enable the house to revert to the consideration of private bills, I was giving my general impressions on yesterday's speeches.

I was saying that it was desirable that goodwill should exist first of all within the government itself. I also said that all past governments ran into enormous deficits, and that in spite of their accumulating deficits they never managed to settle the problem of unemployment, and there still is a great deal of hardship in spite of our abundant natural resources.

Mr. Chairman, we speak of national unity. But have we stopped to think, as we consider these supplementary estimates, that they do not provide anything for the eastern farmers. I am pleased to see that the western farmers get all the assistance they need in order to remain on their farms, but I had hoped that the government would take the same attitude with regard to the eastern farmers.

Moreover, Mr. Chairman, coming back to supplementary estimates, I notice that the Department of Public Works gets only $1. I just wonder what the Minister of Public Works will do with an increase of $1 to end this fiscal year.

[Mr. Speaker.]

Let me draw to your attention a few items, from page 4, of the supplementary estimates (A):

Gift offered to the Queen of the Netherlands and Prince Bernhardt on the occasion of their 25th wedding anniversary: $700.

Gift offered to commemorate the independence of Nigeria: $10,000.

Gift offered to commemorate the independence of French-speaking African states: $2,100.

Gift offered to commemorate the independence of Tanganyika: $5,000.

Gift offered to commemorate the 150th anniversary of independence of the republic of Mexico: $4,100.

Mr. Chairman, I know it denotes good will to commemorate anniversaries such as these, but I would fully understand the government giving away gifts—I say "gifts" but it would actually be mere justice—to the citizens of the country, to the unemployed and the mothers who, with their pensions and family allowances so ridiculously low, must be content merely to exist.

Well and good to offer gifts to all the countries in the world, but I think we should start by offering gifts to our own Canadian people.

I also see in the estimates an item amounting to $1,081,000 for a contribution to a world food program; I fully agree that the government of Canada should assist underdeveloped countries. However as the proverb goes: "Charity begins at home".

In our own country, human beings are underfed, I therefore wonder what the government is thinking about when they prepare their yearly estimates.

I also see an item of $179,000 as Canada's dues to world organizations. There again, I am in full agreement with the item, because it may further good understanding among the countries of the world. But, on the other hand, Canadians are having a hard time getting along with one another.

We also find in this budget which contains fantastic expenditures, the following item:

Expenses of the royal commission on banking and finance, $166,630.

If only governments had read and given effect to the recommendations made by the commissions which were set up over the years, we would not find ourselves in the midst of such a depression today. Thousands of dollars are being spent on the establishment of commissions and after the latter have examined certain problems, the government does not even take the trouble of considering their recommendations.

Expenses connected with royal visits: $50,000.

And a little further on:

Gifts for furniture to the International Communications Union, $10,000.

Interim payments under the Freight Rates Reduction Act, $50 million.

Mr. Chairman, a bill respecting that act was adopted yesterday morning in an underhanded manner by a parliamentary committee. Everyone knows that, normally, parliamentary committees never sit on Monday morning. It was well known that at 9.30 on a Monday morning, the members who sit on that committee would not have arrived in Ottawa from their homes where they had spent the week end. The committee sat just the same and railroaded that bill.

Mr. Chairman, there is something wrong with that bill. In fact, under it, shippers cannot choose the transportation means. They have to use the railways. When they use trucks, they do not benefit from the grants.

Mr. Chairman, all previous administrations just as the present government did their utmost to claim they were against monopolies and trusts of all kinds. I think that this Bill C-91, gives proof that the government is practising a form of monopoly or control. Let us not forget that private enterprise built up Canada to what it is now. It is by giving more assistance to private enterprise that we shall succeed in building up a prosperous Canada.

The trucking industry which took 30 years to develop is just about to vanish completely because of certain unfortunate legislation passed by the government. I have never been and even today, I still am not in favour of that policy adopted by the government towards our truckers. I am wondering whether some day our governments will take their responsibilities and give more assistance to private industry, the very basis of our Canadian economy.

I shall not spend any more time on those supplementary estimates and I hope they will be approved as quickly as possible. I should also like to remind the Minister of Finance (Mr. Nowlan) and the Conservative government that, for their own good, they should have something better to show us in their next budget, because, otherwise, I, personally, will support it no longer.

I shall not dwell at greater length on that matter. We had thought since September 27, that the government would bring a solution to this country's problems, but, more and more, we realize that, with the present government, we are continually accumulating deficits and that the budgets it is submitting are not solving any problems.

In closing I must say that I feel sure beforehand that the government will take its responsibilities and will wake up soon in order to give the Canadian people what it is waiting for.

Mr. English: Mr. Chairman, I am pleased to join with all members who took part in the present debate which has been lasting for a few days. I listened yesterday to speeches devoid of all political partisanship and imbued with really patriotic principles. In fact, the atmosphere in this house has changed completely. We did not hear politicians, but statesmen concerned with the problems facing us.

We all realized that unity was essential in this parliament, if the clarion call for unity is going to be heard, and especially by all the people who live in our beautiful country, Canada.

We are now in a troubled age. We see a combination of facts that prompts us to look farther than ever before.

On each side of us new groups appear, more important than we think, and which could, tomorrow, create a wide chasm between both our ethnic communities.

What are we to do? Are we to declare open war to all new movements? Are we to condemn them? Are we to consider them as undesirable? No, Mr. Chairman, let us rather consider them as our brothers, let us try to understand them. In a word, let us be the apostles of mutual understanding.

Mr. Chairman, no movement is born without a cause. Let us try to find out that cause and the best way to do it is not to investigate, it is not merely to form movements to oppose those already existing, the best way is simply to look at ourselves, English Canadians and French Canadians, and each of us to examine our conscience.

We shall then discover that everyone of us has his share of responsibilities to assume. We shall perhaps find out that we caused unconsciously the spark that started the fire which seems at present to take alarming proportions. Let us stop eyeing each other like divided brothers. Instead, let us consider each other like united brothers. Those movements did not spring up overnight. It might have been possible to prevent them from coming into being if right from the start our politicians had lent a more attentive ear to their claims.

Let me give you an example. The selection of a name for the C.N.R. hotel in Montreal was not a momentous question; the request made by all social organizations of the province of Quebec could have been granted.

The province of Quebec has always advocated, not only with words but with action, the respect of minorities.

Has the province of Quebec not always had a public education board formed of two committees, one called the Catholic committee and the other, the Protestant committee?

Succeeding provincial governments in the past have always treated those two groups with the same fairness. Subsidies granted for the building of schools were not higher for French schools and lower for English schools. Indeed, those subsidies were the same for both groups.

Mr. Chairman, that is what we, in Quebec, call true fair play. That is what we, in Quebec, call well understood unity. That is what we, in Quebec, call respect of minorities. That is what we, in Quebec, understand by practising what we preach.

Mr. Chairman, I represent in this house one of the finest ridings not only of the province of Quebec, but of all Canada, the riding of Gaspe which comprises 10,700 French speaking families and 1,800 English speaking families. Mine is a united county where it is good to live in peace and harmony. We all look upon each other as brothers, as true people from Gaspe, and true Canadians.

There is no question of race, religion or language. Our French Canadians always made an effort to speak English, and our English speaking Canadians did the same.

Since I have been in the house, I have always defended the interests of the English-speaking minority in my county.

For the last few years, the English speaking municipalities in my riding made some representations to me to the effect that they were lacking television service, and asked me to intercede on their behalf with the government authorities. They were right in asking for fair treatment, Mr. Chairman. I did approach the proper authorities on many occasions and appreciate their having acceded to my request.

This is what we find in the report on the matter, established by the board of broadcast governors and dated December 4, 1962:

[Mr. English.]

Mont Bechervaise, Gaspe West (Que.)

Licence for the establishment of a new television relay station at Mont Bechervaise, in Gaspe West (Que.) via the Gaspe South Telecasting Syndicate, to pick up programs of station CKAM-TV, of Upsalquitch (N.B.) on channel 12, and retransmit to channel 4 with 5 watt power and directional antenna.

Recommendation: APPROVED.

Reasons: The board thinks that the facilities requested by the Gaspe South Telecasting Syndicate are the only ones that could answer the needs of the English speaking people in the district where the proposed relay station is to operate. The board trusts that it will be possible to collect sufficient funds to build and immediately operate those facilities, and that steps may be taken to ensure the maintenance of those installations.

Is not Gaspe, Mr. Chairman, a magnificent example of unity, which we may quote with pride on any occasion?

This afternoon, I listened to the hon. member for Iles-de-la-Madeleine (Mr. Sauve) when he pointed out that, in his beautiful riding, there were, proportionately speaking, more veterans from the two wars than in any other riding. I entirely agree with the hon. member for Iles-de-la-Madeleine, and I have to tell him that the riding of Gaspe is one of those which have given the most soldiers to our country. In my county, there are three legion branches: one at Chandler, one at Gaspe, and one at Murdochville. In those three areas, there is no difference of class, race or religion.

Those four different communities form a single area where all fair-minded people in Gaspe irrespective of race and religion, discuss under the same roof the common interest of the county of Gaspe, and I am proud to say that this county has distinguished itself. Under the circumstances, I am not surprised about Iles-de-la-Madeleine, because that riding followed in the steps of Gaspe, because it belonged for a long time to Gaspe county.

Mr. Chairman, as united and as rich as it may be through its mineral, forest and fishing industries, through the moral fibre and the courage of its inhabitants, the riding of Gaspe has nevertheless been neglected by all previous governments.

Unfortunately, this great courageous population has all too often been used for purely political purposes.

We have been deprived of high schools and classical colleges far too long. In fact, many children have not had the necessary education because their parents did not have the means to send them to the classical colleges in Quebec city or Montreal. The only university our ancestors had really gone to is that of hard knock.

Mr. Chairman, how can we explain the fact that such a rich country has been left undeveloped for so long? How can we explain that this country, discovered by Jacques Cartier in 1534, had to wait until 1956 to see its first city, Murdochville. However, its wealth had been lying underground for a long time. Providence had put it there so that it could be developed and benefit the whole community.

At this stage, Mr. Speaker, I should like to refer to the Gaspe copper mines financial report, submitted by the president of the company, which clearly shows that the Gaspe peninsula is a rich country. I quote:

Gaspe Copper is going through a prosperous year. The net profit of Gaspe Copper Mines Limited for the first six months of 1962 will reach—

You will have noticed, Mr. Chairman, that the figure is for the first six months of 1962.

—$2,700,000, compared with $400,000 for the whole year 1961.

This was revealed today by Mr. John R. Bradfield, president of the company, to the shareholders now holding their annual meeting here.

This substantial improvement in the results of the operations of the company is explained by the fact that better prices for copper as well as the Canadian dollar exchange rate have brought about an increase of $500,000 in the revenues of the company. Besides, as was revealed by the annual report sent out two months ago to the shareholders, the amortization of substantial capital and preproduction expenditures has been completed during 1961. Mr. Bradfield also underlined that the company's debt, which amounted to $47 million in 1956 has been substantially reduced. More than $40 million have been paid off, so that the current is only totalling $6,500,000.

Mr. Chairman, the debt amounted to $47 million in 1956 and is but $6 million today. And these figures were only for a period of six months in 1962, which means that the $6 million current debt will be completely paid off before the end of the year.

Mr. Chairman, there is not only one mine in the Gaspe peninsula. There are several, which are only waiting for mining companies and strong arms to put them at the service of the public. And, merely to prove that the Gaspe peninsula is a rich area and that I was right in asking for the construction of a railway which would contribute to its economic expansion, you only have to look at what is happening at the moment.

In fact, Mr. Chairman, when the Conservative government decided to consider the fate of the Gaspe peninsula, it realized that it had to do something for its exiled brothers and adopted an act which received the unanimous approval of both houses, an act which finally permitted to give to the Gaspe peninsula what it had been seeking for more than 75 years.

Mr. Chairman, that is a promise which suddenly became a reality. And the reality brought about considerable economic expansion in the Gaspe peninsula.

Until now, companies that owned mining claims did not want to develop them until they had the essential transport facilities to do so.

I also recall that I was asked at the time if I had consulted provincial government authorities to determine whether it would be a self-liquidating project.

I must say that, at the time, I could not reply, because I was in communication with the Quebec authorities, and I could not reveal information before it was made public by the government itself.

Following the passing of the bill by the House of Commons, the Quebec government granted one company a 32-square mile area in the national park of the Gaspe peninsula. That park had always been closed to mining operations in the past, because it was preserved as a sanctuary.

Mr. Chairman, it is all very well to look after caribou, but I feel it is even more important to look after human beings and, according to order in council No. 616, the provincial government granted Mr. Pierre Beauchemin and his Gaspe associates a 32-square mile area. A short while later, drilling operations began, and the results are most promising. This will allow us to have in the near future, not only one, but at least three mines in operation in the constituency of Gaspe. For that, credit must go to the Conservative government which has made it possible to build that railway to develop that area.

Mr. Dumont: Mr. Chairman, may I ask the hon. member a question?

Mr. English: Certainly.

Mr. Dumont: Mr. Chairman, the hon. member says that the building of that railroad had been promised for 75 years. Does he not believe that the grain elevators in the east will not be erected before 75 years also?

Mr. English: Mr. Chairman, I must say to the hon. member that if grain elevators had to be built in my riding, I would speak up with as much courage as I did for a railroad in my region.

Mr. Chairman, I seem to remember that at the time the bill concerning that railroad was under discussion, all members agreed. In addition, I remember having read a brief submitted by the north Gaspe chamber of commerce and stating:

The north Gaspe chamber of commerce associates itself with the statements made by Messrs. Hees, Gordon and others on the occasion of the official opening of the Chibougamau railway:

There are two essential prerequisites to our national economy:

1. A large portion of our natural resources is still awaiting means of transportation to be developed; 2. Our railways are still taking the lead and opening new areas to economic development.

This is what Mr. Donald Gordon, president of the Canadian National Railways, had to say: "In a country such as ours where distance is the determining factor in the cost of goods, natural resources development cannot be envisaged without thinking of the railway".

Mr. Chairman, it is rather surprising that it took him so long to think of the construction of that railway.

(Text):

Mr. McLean (Charlotte): Mr. Chairman, will the hon. member permit a question?

The Chairman: Order. The hon. member for Charlotte wishes to ask a question.

Mr. McLean (Charlotte): We know that the Quebec ground is full of gold. Why does the government not raise the price of gold?

(Translation):

Mr. English: Mr. Chairman, I regret having to waste so much precious time because of the hon. member's question.

I continue:

The chamber of commerce also appreciates the following statement made by the Hon. George Marler, former federal minister of transport: "The present opposition in the parliament at Ottawa will never criticize what the Diefenbaker government will undertake to lengthen anywhere the railway branch lines in the mining regions of Quebec and the rest of Canada—"

In our area, we have enormous resources, but, without that vital artery, our economy is anaemic and has not developed on a par with that of the other areas in the province and even in the country.

Three factors are essential to the development of the Gaspe peninsula: an abundance of electric power; enough capital to develop our resources; and the railway. The government of the province of Quebec and our mining companies have already procured for us the first and second factors respectively and only the federal government can give us the third one.

[Mr. Dumont.]

Well, Mr. Chairman, I think I have stated the need of a railway which is only 57 miles long but which is vital to the economic development of the Gaspe peninsula, and the benefits the government brought to that region when it decided to build it.

Mr. Chairman, I have but one thing to ask. I know that the government has shown diligence and I have no blame at all to address to the Canadian National Railways because during the summer, the lay-out was proceeded with and now, that being completed, the plans and the expropriation of land are being looked after.

I am simply asking the government to bring pressure to bear so that the work can start during the winter season. Winter is always a hard time for the Gaspe peninsula, for fishermen, lumbermen and farmers.

Mr. Chairman, if we want our young people to stay home, if we want to prevent them from leaving their native land—at the present time, I note with sadness that people are leaving my riding to seek fortune and work in Montreal because they have heard that a world fair will be held there and will create a lot of jobs—let us work together, without political partisanship, to help that region of the province that has been too long neglected. It is now forgotten because its problems do not resemble those of Quebec city or Montreal, or even those of the agricultural ridings in the rest of the province of Quebec.

I would even say, Mr. Chairman, that that part of the province of Quebec should be brought under the study made by the royal commission set up to examine the problems of the Atlantic provinces, because our difficulties in the Gaspe peninsula are very similar to those of the maritime provinces: fishing, mines and forests.

Mr. Chairman, I apologize for taking up perhaps too much of the time of the house but until now I have been very patient. I was content to listen, and even before you tell me that my time has expired—

(Text):

Mr. Cowan: Mr. Chairman, when the distinguished member for Davenport opened the debate in the House of Commons some weeks ago, he remarked that he was taking part in a budget debate that was not considering a budget and could not be considered a debate. The nearest we are coming to a budget

in this first session of the twenty fifth parliament is on motions for interim supply. As the hon. member for Davenport continued his remarks, pointing out that he was commenting on the financial state of the nation without a budget before him, and intimating that the debate did not have teeth in it because of the manner in which the committee of supply was set up, it struck me that we had here all the settings of a Gilbert and Sullivan light opera. What is more, we not only had the settings, but at that time we had a minister of the crown going to Japan and right on location, intimating to the prime minister of that nation what the province of Ontario could do in the matter of trade and commerce.

The hon. member for Rosedale has ably covered the subject of the federal government of this self-governing nation allowing provincial governments to intrude upon the federal field of trade and commerce without so much as asking permission or being given a by your leave by the head of that department. We have the interesting situation of a minister of the crown stating that the province of Ontario can conduct trade with a foreign country because the provinces are not governed by international treaty and have no customs tariff. It makes one wonder whether the Minister of Trade and Commerce is aiding and abetting a plan whereby Japanese goods may be brought into Ontario through an all-weather port on Hudson bay, thus short-circuiting the Department of National Revenue. I just refer to this episode, this trip to Japan, where a minister of the crown, on return to this country, said that he found there a tremendous market for western style goods as we have received word from the land of the rising sun that the businessmen of that nation do not favour dressing their geisha girls in ten gallon hats and chaps, as favoured on this side of the Pacific; and if local trade is going to be upset by western styles being forced upon the Japanese market, they feel that they will have to cut off entirely all international trade. But the federal government is not taking any stand on this matter of trespass on any part of the realm of national government, and is abdicating its position in that field, as it has abdicated in so many other fields.

The hon. member for Winnipeg North Centre, in a speech last night which will probably be the zenith of this session of parliament, outlined the manner in which this parliament is being reduced to the level of a debating society by the actions of the executive arm of the party in power. I regret that the speech of the hon. member for Winnipeg North Centre was not heard last night by all members of this House of Commons, as it was certainly an outline of the ridiculous position into which this parliament has been forced by the present government with regard to the discussion of estimates and budgets for this nation. This is the third time in five and a half years under the present government that we have given interim supply or interim financial statements instead of a budget. Never before has parliament been treated in such a callous manner as at the present time. I would like to see the address given by the hon. member for Winnipeg North Centre pasted on the face of every copy of the bill of rights hanging on the walls of this country today so that the public could see that the gifts which the government has so ostentatiously given to the citizens is being counteracted by the withdrawal of the rights of parliament.

I regret that in this house of minorities the largest minority should be kept in power by the open co-operation of a smaller section of the house. However, when we consider the irresponsibility of some of their actions and speeches we can accept anything. We have been given five different reasons by the leader of that party why they are voting in favour of a government which they were pledged to defeat. We have been told they had agreed to maintain the government in power only until it had corrected the mistakes of the Liberals. We were told they would keep this government in power until the spring. We were told the government would be defeated unless it brought down progressive legislation. Then we were told in a speech on June 28 by the leader of the Social Credit party: "Let us be frank about it; we do not want an election this year. We want to win the next election and we want time to get ready." This is from a man who, as leader of the Social Credit party, might be expected to know something about credits and debits. Yet we find that on November 5, referring in this house to the Chinese-Indian war, he made mention of the theory that when the government was supplying arms to the people of India it was assisting in the destruction of Canada's creditors. Well, when the leader of that party does not know the difference between a creditor and a debtor we cannot expect too much assistance from that quarter.

I wish to draw the attention of the committee to what was said by our own leader speaking in Sorel on September 22 when he said:

> Thus the members who take their seats on the opposition side of the house are on that side because the electors gave them a mandate to manifest their non-confidence in the Diefenbaker government.

So a member of the opposition could not give a vote of confidence to the present government without being a traitor to the mandate he has just received from the people.

I would draw these words by the Leader of the Opposition to the attention of hon. members on this side of the house. My hon. friend pointed out that those who do not live up to the mandate they received from the electors are traitors to the mandate they received. The greatest betrayal this world has ever seen involved 30 pieces of silver. We are now witnessing the betrayal of 30 constituencies because of sessional silver indemnities.

Now I should like to draw the attention of the committee to a feature of this government's policy which I am sure we all heartily endorse. I appreciate the opportunity given to me tonight to commend the Minister of National Health and Welfare, and I sincerely trust that some of the words I utter in this debate will be spread across Canada at a time when budgets are being set for hospitals from Newfoundland to Victoria. As hon. members of this committee know, the greatest problem which faces hospitals in this country today is the shortage of staff. I have taken the trouble to go through the briefs submitted to the royal commission on health services. I have read them as submitted from one end of Canada to the other. In every province we find the same tenor in the submissions—shortage of personnel. The submission of the government of Nova Scotia given by Mr. Donahoe, minister of health, points out that in the academic field of nursing there is an alarming shortage of teaching personnel. In Newfoundland it was stated by Dr. Leonard Miller, the deputy minister of health, that the total number of dentists in the province was only 44 or one to every 11,000 people. The figure for graduate nurses showed a total of 937 or 2.1 per thousand of the population whereas in Canada as a whole there are four graduate nurses per thousand. In New Brunswick the Hon. Georges L. Dumont, minister of health, commented: "If we had these nurses... it would be a wonderful help in solving the health problem of the province; so there it is." A Manitoba submission said the province did not have enough graduate nurses and could do with more of them. So the story runs throughout the ten provinces of Canada. In Ottawa, a statement was made by C. F. Gilhooly, who, speaking for the nurses section of the Professional Institute of the Public Service of Canada, stated:

Then their brief moves into the area of shortage of nurses, and they admit from the start that the problem of shortages is extremely complex. It is a continuing problem and there are no simple solutions.

[Mr. Cowan.]

Attention is drawn particularly to the need for qualified mental health nurses.

The great difficulty in securing a larger supply of qualified nurses is the present rate of remuneration. I regret to say that nurses are the most poorly paid of all the professional people in the country. However, the federal government through the Department of National Health and Welfare has been helping to meet this problem in an indirect way and I sincerely hope that they will both continue these efforts and expand them.

I was talking about hospital staff shortages with Dr. Rae Chittick, the lady who is the head of the McGill University School of Nursing. This was last April. The difficulty is that there is not sufficient staff for the hospitals which are already open. As a result, there is a minimum of staff and the number of patients accepted is geared to the number of staff available. Dr. Chittick told me last April that she did not think there would be any solution to these staff shortages until it was recognized that hospital staff should be paid on a shift differential and a day premium basis. I looked at the lady and remarked that I had never heard such a thought advanced before, but I could agree with her wholeheartedly. She remarked to me with some surprise "I thought you were a businessman". To this I answered "You would have to ask my competitors about that". She said "You are the first hospital trustee who did not hit the roof when payment on a shift differential and a day premium basis was mentioned. Then I made a second comment: "Dr. Chittick, I have been engaged in the printing trades for 40 years where we pay shift differentials and day premiums and in that business it is the normal way of life". My father who is 85 years of age is sitting in the gallery tonight. He has been used to paying shift differentials and day premiums, before me, so that is nothing new in our industry. How can I register any objection to bringing this system into the hospital nursing field?

In talking over hospital practices I was indeed pleased to find that in the province of Quebec a shift differential between day, night and evening shifts has been paid for the past ten years in the great majority of hospitals. I spent one day at Notre Dame hospital in Montreal discussing the matter and another with a second hospital in Montreal. I was advised that in that city there is a normal differential of 15 cents an hour or $1.20 a shift as between the evening shift and the day time shift, and that a differential of 10 cents an hour is paid on the night shift as compared with the day shift. To me it was interesting to learn that a higher differential is paid on the evening shift than on the night shift. However, the sisters who operate

this hospital pointed out that the staff prefer to enjoy the social amenities from three o'clock until 11 o'clock in the evening much more than at night, and that it is more difficult to recruit staff for that evening shift.

To find the province of Quebec paying a shift differential was interesting. However, in an effort to locate a hospital paying a day premium for sixth day work, Sunday work or holidays I found the situation was slightly different.

I have in my hand a regular copy of the agreement between the hospital of Notre Dame and the labour union. This agreement was signed on October 16, last. In this contract, when it comes to a consideration of the day premium, we have a clause stating that with regard to holidays, employees will be given a day in lieu of the holiday, within 15 days before or 15 days after it, but that if the hospital fails to give the day off in lieu of holidays, they will pay double time. You therefore have a day premium in the contract involving a Montreal hospital.

In the province of Saskatchewan we have the shift differential between day, evening and night shifts. In British Columbia we again have the shift differential. However, it is impossible to locate any day premium scale set-up in Canada, other than the one that prevails in Montreal, and in that case they reduce the staff rather than pay the day premium. By that I mean that if the holiday is worked they give the employee time off rather than pay double time.

I commend the Department of National Health and Welfare in this matter because of the fact that they go along with these three provinces, namely Quebec, Saskatchewan and British Columbia, and they meet the necessary portion of the charges involved by the day premium and the shift differential rate.

I have in my hand the annual report of the Minister of National Health and Welfare under the Hospital Insurance and Diagnostic Services Act for the fiscal year ended March 31, 1962. On page 10 thereof is found the following:

> Generally speaking, shareable costs are the operating costs of the hospital which have been approved by the provincial authority and which have been determined in accordance with recognized and generally accepted accounting principles and procedures . . .
>
> The province is required to review and approve the costs of each hospital and these approved costs form the basis of the federal sharing formula.

We have the federal government, which pays one third of the operating costs of the hospitals today, quite gladly and willingly paying the differential in Quebec, Saskatchewan and British Columbia. I sincerely hope that other hospitals throughout Canada, particularly in the other seven provinces where the differential is not now in effect, will take note of this co-operation on the part of the federal government and that the staffs will appeal to the respective hospital boards for similar treatment.

It is not my intention to occupy the time of the committee by extolling the merits of the riding which I represent, namely York-Humber. The hon. member for Peel stated today that his constituency was the banner riding of Canada. This statement must make mine take second place. However, rather than argue with him, I would extol the qualities of leadership which have been displayed by the board of directors of Northwestern General hospital in Toronto. They are a group of 14 men and women. Included in their number is Mr. W. G. Beech, former Conservative member of parliament in this house and former member of the provincial house in Toronto. Unanimously they have submitted to the Ontario hospital services commission for 1963 a budget which calls for shift differentials and day premiums. The board unanimously has suggested that the premium for the sixth day in the week shall be $6 per Saturday, or sixth day, $8 per shift for work on Sunday, and $10 per shift for work on statutory holidays. I may tell you, Mr. Chairman, that the problem of securing staff for hospitals can be solved only by a satisfactory monetary return and satisfactory labour relations.

In the *American Journal of Nursing* for November, 1962, at page 62 will be found this comment by Sister Magda Marie, director, school of nursing and nursing service, St. Catherine's hospital, Brooklyn, New York:

> Today's hospitals are "big business" and nursing must develop a "big business" approach. More studies and research must be done to find ways and means. Principles of personnel management and practices need to be investigated and applied to nursing. Better and more dynamic administration in nursing service should be developed to keep the profession abreast of the times in order to meet the current health needs of patients.

I wish to commend the day premium rate of pay. I would point out that looking at the help wanted advertisements in the *Nursing Outlook* and other nursing periodicals to be found in the Department of National Health and Welfare or in our own parliamentary library, one will find advertisements from the Midland hospital of Midland, Michigan, in which it is pointed out that they pay evening, night and week end differentials. You will find advertisements by the Mission hospital, Huntingdon Park, California, emphasizing that they pay day premium rates. In talking with officers of the American hospital association I was informed that in Minneapolis

and St. Paul, the twin cities of one of the most progressive states in the United States and the site of the University of Minnesota, they have a contract with their hospital staffs in those two cities under which they pay a day premium for Saturday and Sunday work. There is no widespread national pattern to this effect. However, by paying day premium rates hospitals should be able to attract from the ranks of married women the trained hospital personnel who refuse to come out for Saturday, Sunday and holiday work at the present rates of pay.

With a shift differential and a day premium scale I am confident that hospital staff problems can be easily solved. It is the greatest problem facing the hospital world today and therefore the greatest problem facing the Department of National Health and Welfare. Our veterans hospitals administered by the federal government are operating at 11.2 per cent shortage of nursing staff on the establishment. We get these figures from the Department of Veterans Affairs. When we cannot secure help in order to meet the establishment figures of the department, it is time that we looked at the method of payment. I want to commend the Minister of National Health and Welfare for his co-operation with the provinces of Quebec, Saskatchewan and British Columbia in paying the basic charges for shift differential rates of pay for hospital personnel and for the co-operation with the few hospitals of Quebec that now have the day premium rate of pay. I would sincerely urge the government to exert every possible means at their disposal to impress on the other provinces of Canada the beneficial results that can be expected to follow from the differential rate of pay and the day premium.

I am certain hon. members will be interested to know that only last week Riverdale hospital in Toronto, an 808 bed institution which will be re-opened in March, came to an agreement with their help whereby they will pay differential rates of pay, not a day premium but a shift differential. They will pay an extra 10 cents per hour on the afternoon shift and 12 cents per hour nights. These figures are interesting because they are paying higher on the night side than on the afternoon or evening shifts. This contract was negotiated by union labour officials who are accustomed to negotiating for a higher differential on the night shift than on the evening shift; but when that hospital opens you can rest assured that in a short time you will find a higher differential on the evening shift than on the night shift.

In the case of Northwestern hospital in Toronto they are suggesting to the Ontario hospital services commission 15 cents an hour on the evening shift and 10 cents an hour on the night shift, as prevails in the city of Montreal and in the province of Quebec. I sincerely hope that the benefits that will follow the introduction of such a method of compensation for hospital personnel will be spread widely across this nation so that the greatest problem facing hospitals today may be solved, and I sincerely commend the Department of National Health and Welfare for their co-operation with the three provinces who now pay a shift differential.

Mr. Winch: Mr. Chairman, this afternoon the leader of this group outlined to the House of Commons a number of matters of such serious import that in the view of this group they should not only be debated in this assembly but there should be definite statements by the government on its policies with regard to the matters to which our leader made reference. It is my desire in the time at my disposal this evening to add a couple of other items to the list which he outlined.

I should like to introduce the first of these items by asking members of this house to remember the clarion call, the challenging call, of the Prime Minister to the people of Canada in 1957 and 1958. I want to be sure that I have his call absolutely correct and to make clear that it was not just a statement made once. Therefore I should like to read from the official record just what this challenging call, this clarion call, was. If hon. members will refer to the House of Commons debates for the 1957-58 session, volume I, page 650 they will see this statement by the Prime Minister:

> Private enterprise does not carry with it the right of exploitation. As to foreign capital coming into Canada, it is not the purpose of this government to interfere with that investment. However, we want to ensure—and I think the house generally will agree with that stand—that investment in Canada shall be for Canadian purposes and under Canadian law.

Again, in volumes 9 and 10 of the proceedings of the external affairs committee of 1957-58, page 275, we find this recorded statement of the Prime Minister:

> There is an intangible sense of disquiet in Canada over the political implications of large scale and continuing external ownership and control of Canadian industries.

Again, in the House of Commons debates for the session of 1957, volume 1, page 1155, we find this statement of the Prime Minister:

> We did not object to United States investment but we asked for a positive national policy which would prevent foreign investment from furthering the process of continental economic integration and ultimately undermining our national identity.

I give just one more quotation because I want hon. members to remember this challenging call of the Prime Minister. In the House of Commons debates for the session of 1957, volume 3, page 3407, we find this statement by him:

> We believe in foreign investment, but we also believe that investment in Canada should provide for Canadian considerations first.

We maintain that what is happening with regard to foreign investment and control in Canada is of such a nature that at least we had a right to expect some action on the part of the government since 1957 and 1958 with regard to this most serious situation, because foreign investment and control have increased under this government since the Prime Minister made these statements in 1957. According to the latest figures of the dominion bureau of statistics, which are for 1959, United States capital has led to that country controlling 52 per cent of Canadian industry. Fifty two per cent of all Canadian industry is now in the control of United States investors. That may not appear to be very important to the government but I was very interested to note that it seems to be of the utmost importance to the *Financial Post*. In its issue of November 3 of this year the *Financial Post* pointed out that it had spent many months in exhaustive study of the question of foreign investment and control in Canada, and as a result of their studies and their conclusions they have a message not only for the people of Canada but for this government. I believe I should place on record what the *Financial Post* thought was so important that they put it in very large black-face type. Here is what they say:

> Great issues of growth and trade now beset this nation. But none raises more profound implications for the survival of Canada than the tidal sellout of Canadian companies to foreign owners. On this and the following three pages is the hard evidence of who controls Canadian industry. They show the astounding depth and degree of the invasion by foreign capital. They document a development of immense historic significance for this country.
>
> Most certainly Canada has gained from foreign investment. And most certainly Canada needs an inflow of foreign capital to help maintain a healthy foreign exchange position. But what about Canadian independence? Where is this country going? Is our political sovereignty a pathetic pretence when economic independence goes?
>
> Future generations looking back at the 1950's and 1960's may be able to give an answer. But the reality of the movement is that this is the age of the big take-over.

I say that in the view of this group no truer statement has ever been made. This is the age of the big take-over. This take-over is so pronounced that the information available leads us to believe the vast majority of the underwriting of fire and casualty insurance in Canada is no longer done by Canadian companies. We find, Mr. Chairman, that since 1950 an astounding number of companies have been taken over and, in the majority of instances, the take-over has been accomplished in the last four years.

We say this is something about which the Prime Minister and the government have definitely let the country down and are letting it down now. We can only take what was said in 1957 and 1958 as being solely for the purpose of political expediency, statements which they never intended to do anything about if they got government responsibility. This is not good enough, not only in so far as foreign control is concerned but also in connection with what takes place when some of these United States companies take over our Canadian operations.

I want to deal in particular with a matter which I raised the other day during the question period and which, apparently, the Prime Minister did not believe was of any importance whatever. In 1956 Canadian Canners was the largest canning operation in the British commonwealth. In that year the California Packing Corporation bought out two thirds of Canadian Canners for the sum of $14 million. At that time control of the largest canning operation in the commonwealth passed to the United States. What are they doing? They are deliberately adopting a policy of closing down our Canadian operations. About a week ago we had an announcement that the Canadian Canners operation in my own city of Vancouver is going to be closed. This is going to have a direct effect on 200 employees of the canning operation itself, upon 800 people who are employed during the picking season and it is going to affect farmers right outside of Vancouver who operate 700 acres and who have supplied the needs of this packing plant. This policy is going to have a serious effect on the economy because of the loss of wages and purchasing power, amounting to well over $3 million annually. All of this comes about because an outfit in California says so.

I want to say, sir, that this government owes it to the people of Canada to introduce legislation to protect Canadian farmers, Canadian workers and Canadian consumers when control of Canadian companies passes to foreign interests. I want to say, sir, that this policy adopted by California packers as it pertains to Canadian packers, and which I am outlining now, was adopted for one major purpose only, and that was to get the Aylmer brand. When our wives and mothers go shopping they buy according to brand names and the Aylmer brand is well known in Canada. Who-over looks at the tiny print at the bottom of the label? If you do, you will find, and this has been going on for some time now, the

words, "Produced and packed in the United States". When people think of the Aylmer brand they think of Canadian farmers and Canadian workers.

I say, sir, this situation is an example of the betrayal of the real meaning of foreign investment in a country. I say it is a betrayal by this government when we have been bringing it to the attention of the government for the past four or five years. One day when I spoke I had the whole desk covered with produce I had purchased in Ottawa with the Canadian brand name on it but which had been produced and packed outside of Canada. I say, sir, there is a major responsibility on the shoulders of this government to show that they were not a bunch of confounded hypocrites in 1957, by doing something to fulfil the promises they made at that time. The Tories will say the people did not let them down in 1958. They are certainly letting the people down now, as they found out to a great extent on June 18 of this year. A lot of hon. members sitting here now will not be back again because the people are fed up with promises and no action.

I say, Mr. Chairman, that this matter was amply catalogued and indexed by the *Financial Post* and deserves the immediate attention of the government. All decency and honesty demands that the government provide an opportunity for discussing this issue as soon as possible in this house so that we can have a clear enunciation of government policy. Otherwise, we will be confirmed in our belief that the government has not either policies or principles.

There is one other matter I want to raise and it has to do with something of which the government is essentially proud and about which they do a lot of talking. I refer to the Canadian Bill of Rights. I should like to quote section 2 of the Canadian Bill of Rights:

> Every law of Canada shall, unless it is expressly declared by an act of the parliament of Canada that it shall operate notwithstanding the Canadian Bill of Rights, be so construed and applied as not to abrogate, abridge or infringe or to authorize the abrogation, abridgment or infringement of any of the rights or freedoms herein recognized and declared, and in particular, no law of Canada shall be construed or applied so as to
>
> (a) authorize or effect the arbitrary detention, imprisonment or exile of any person;
>
> (b) impose or authorize the imposition of cruel and unusual treatment or punishment;
>
> (e) deprive a person of the rights to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations;

There it is, sir, in the bill of rights; words that can be understood by a layman let alone by a lawyer or perhaps the other way around. I am stating that this government not only does not understand this section of its own bill of rights I have quoted but does not enforce the principles outlined in that section of the bill of rights. I have no sympathy, definitely no maudlin sympathy for a person or persons who are anti-social. If a person breaks the law of this country, then that person should be charged, should be tried and if found guilty should receive the effect of the law in accordance with his degree of guilt.

I believe, too, that the bill of rights as I have outlined it applies to a person incarcerated in an institution, just as it applies to other people. This is not the case in Canada today. It is definitely not the case as I will indicate by an example I am going to give you. This is a case I have been trying to handle through the Minister of Justice, but that course is useless. Right now in Kingston penitentiary there is a man who has been in solitary for 13 months—13 months in the hole —and for what reason? Because of a suspicion he knows something that the authorities want to find out; and because they have not been able to get evidence in any way at all regarding a most serious incident, which I shall tell you about, Mr. Chairman, they are resorting to the torture of the hole to try to force a confession, whether it be good or bad, as the means by which this man can get out of the hole.

I do not know how many hon. members visit our jails and penitentiaries. It might be a good idea if all did, and I can assure hon. members that being members of the House of Commons they cannot only get in but get out, which is unfortunate in some respects so far as some people are concerned.

This man has been in a small cell for 13 months. He is allowed out only for a few minutes for recreation, and in recreation he is not allowed to have his exercise with anybody else. He is just as much in solitary when he is taking exercise as he is in the cell. In his cell he has the canteen privileges; he can send out letters and receive letters. If he could not I would not have got the original letter which gives rise to this. He has the radio, but what else? A bed, but not a normal bed—a bed about six inches off the floor, and he has no table and no chair. During the past three years he has improved his education by about four grades, and he wants to continue doing this. He has been requesting a table and chair to help him, but the answer is always no.

Ten feet away from his cell is the cell where the officials mete out corporal punishment to the other inmates who have to be disciplined. During the 13 months he has been in solitary, this man ten times has had

what you might call a front row seat while other inmates are receiving the paddle.

What is the reason for all this? Let me give it in the words of the minister of so-called justice, and I may say it took me three weeks to get this. The reason this man is in solitary is because of a most unfortunate, disgraceful incident that occurred 13 months ago, not only unfortunate and disgraceful but something we all deplore. A guard was killed in Kingston penitentiary.

Whoever did it should be found and he should receive the penalty of the law for murder, but so far no charges have been laid, and a man is kept in solitary. Why? I quote from the letter of the Minister of Justice written to me on December 11:

Cochrane—

The man's name

—was one of the inmates who was in the Kingston penitentiary dormitory in which officer Wentworth was murdered in November, 1961. Since that event Cochrane has been segregated from the general inmate population under regulation 2.30 of the penitentiary service regulations—

He was in the dormitory when this most unfortunate incident of a guard being killed occurred, and he has been in solitary for 13 months for that reason. Why? I have it, not only on the basis of a letter this man got out to me, not only on the basis of a statement from his brother in Toronto, who got in to see him several weeks ago, but also on the basis of a letter I received just a couple of days ago from a lawyer who got in to see him for the first time since he was put in solitary, that the reason is that the authorities had a suspicion he might have murdered the guard.

They had no evidence but they had a suspicion. I understand now they have dropped that, but they still have a suspicion he knows something about it, or that he may know who did it. So, because of a suspicion that he may know something about it, he being one of the inmates who were in the dormitory when the homicide occurred, this man has been kept in the hole for 13 months. He has not a decent bed to sleep on, and he has no table or chair. This is torture, to try to obtain something of which the authorities have a suspicion.

I have no sympathy for those who break the law, but I do say I care not who the individual is, he is entitled to humane treatment and to justice. I say that if the authorities have evidence that this man murdered the guard, then let them charge him and bring him to trial. If they have not got evidence, and if they have not got any definite evidence that he knows something about it, that he was a party to a conspiracy, then I say under Canadian justice and the bill of rights which says that:

—no law of Canada shall be construed or applied so as to . . . impose or authorize the imposition of cruel and unusual treatment or punishment—

—this is a matter which, in all sincerity, is the responsibility of members of parliament to take up and try to do something about.

I may say I am very grateful to the newspaper in Kingston the editor of which, when he discovered this matter, took such an interest that he was the one who sent the lawyer to the penitentiary to find out what was the situation. That is the reason why we now have this additional information on what has taken place.

Mr. Chairman, my time is just about up. I do not have time to speak as completely as I would like on these two matters, but in conclusion I would ask that this matter of our Canadian economy and who owns and controls it be considered very soon. As we are a sovereign nation I ask that the government immediately bring in policies to stop foreign companies from buying out our Canadian industries and then closing them down. I also ask that the bill of rights be enforced and, as an example to everyone else in Canada that it should be enforced, that the government give the lead itself.

(Translation):

Mr. Pilon: Mr. Chairman, during the next few minutes, I shall try to make a review of the events that took place since the opening of this session.

Being a new member, I will be very objective about the legislation enacted in the past.

I must tell you that I have had among the best attendance records in this house and that I have been disappointed with the policies of this government and also with the attitude of some opposition groups.

The minority government should not boast over the fact it has remained in office due to a party which not only preaches politics opposed to its own, but also advocates highly irresponsible monetary reforms. They are people who attach no value to the word equity and who have shown, since the opening of this session, no sympathy for our banking institutions which, as we all know, have greatly contributed to the economic development of our country and have made possible the economic operation of several Canadian corporations and which, as a whole, have trained men in all fields of our economic activities.

Mr. Chairman, I am the member for one of the most beautiful and prosperous constituencies on the south shore of the St. Lawrence river. We, of the south shore, like to go ahead, not to mark time.

Farmers and industrialists are to be found in my constituency. The former must get everything from the provincial government. The present acts favour the western provinces for which I have great admiration. We are not opposed to this treatment, but we demand to be treated equitably if not identically. I am pleased to learn that the provincial and federal authorities have reached an agreement as regards ARDA.

We, in the district of Beloeil-St. Hilaire-Rougemont have grown 3 million bushels of apples of all kinds. As a result of the inertia of the federal Department of Trade and Commerce, 600,000 bushels have remained in the orchards for the lack of markets. We have lost $1 million and we hope that the representations of our local farm organizations will be needed and steps taken in order to correct this situation. A commission is required for the finding and opening of markets for our products. We are not asking for grants amounting to $200 per arpent, we are only asking that our voice be heard and our claims taken into consideration.

Negotiations on dairy products should be taken up with the Quebec department of agriculture. The present Minister of Agriculture (Mr. Hamilton) should not be so free in making public statements to the effect that we should restrict our milk and butter production; he sings another tune to the western farmers in connection with wheat. Let us make political capital where we can, seems to be his motto.

I would say, after those who spoke before me, that the province of Quebec will not countenance the austerity program in the federal Department of Agriculture, as regards premiums on hogs.

Mr. Chairman, I should like to remind the house that the province of Quebec has the resources and skills required to make Canada economically strong in all fields. Nothing is being done yet concerning the deepening of the Richelieu river, a project which would go a long way towards improving the economic situation on the south shore of the St. Lawrence. A Liberal government would undertake that project and you can be sure, Mr. Chairman, that it will not give rise to as many disputes and arguments as the Columbia river development.

During the past few weeks, very little has been said about the small companies financing act. That is also an important part if not the backbone of our economy. If we feel that we owe our success to our skilled workers, let us give them a chance to make a name for themselves both on domestic and foreign markets and to fight against unemployment, this national plague, on which I do not want to dwell now, since matters are going from bad to worse.

With regard to small businesses, we should extend the purpose, define the terms and modify the interest rate; we should also promote the establishment of an agency in order to free the financial institutions from extended and detailed preambles. Such an agency—which might be tied in with Central Mortgage and Housing Corporation—could study each case in greater detail and, if need be, advise our businessmen. To come back to C.M.H.C. which I have already mentioned, a great deal has been done through this organization created by the Liberals but under the Conservative government fewer people could take advantage of it because without warning the interest rate has been raised from 5¾ per cent in 1957 to 6¾ per cent in 1961, and then brought down later on, to 6½ per cent. Such a step taken by this government will cost the Canadian taxpayers about $3 million in the next 30 years.

After all, Mr. Chairman, this government did not take wise and responsible administrative action. I grant that the ministers have done their best, but they worked only with the tools given them by the Prime Minister. If the latter had more ideas of a practical nature, we would not be where we are now.

(Text):

In closing, Mr. Chairman, we on this side of the house are and should be very constructive critics, and we have the right to ask this government to contemplate our problems on a national scale and with a non-political outlook. We as Canadians have acted so as to keep the structure of our country in one piece. The effort, if we might use that expression, was made years ago. Our party builders have maintained the prestige of Canada at its highest peak for many years. This duty is now cast on this new and younger generation. This is the challenge which the Liberal party is dedicated to meet, believing that our greatness must be found in a united Canada.

(Translation):

Mr. Ouellet: Mr. Chairman, I understand that the measure before the house seeks to grant the government the amounts it will require to pay its bills up to January 31.

Hon. members have spoken of just about everything. One dealt with nurses' salaries, another with jails. In my opinion, if we keep on like that, we will all be thrown in jail before long.

Mr. Chairman, I can hardly understand why so much time is taken up to achieve practically nothing. The estimates the government is asking us to vote will be appropriated to the payment of expenses made under certain legislation already passed by this parliament. Even though we might extend this debate for 15 days, I feel that we would have to meet those expenditures. I find it difficult to explain the attitude of certain members. As a matter of fact, people claim that we are not serious and frankly, I do not know whether it is due to my inexperience, but I am under the impression that I should be at a loss to answer, because I think that they may be right in the end.

Mr. Chairman, we have been here for three months and we have done so little that I feel we should make up for lost time on the occasion of Christmas, so as to prove to the Canadian people that we can be serious when we want to.

In my opinion, the house should vote the funds the government needs to meet its obligations. In fact, if we keep on like this, there will not be enough money to pay our parliamentary allowances for the next month. It is high time we took action since we have discussed about everything except the supplies which the government has asked us to approve.

We should show a sense of responsibility and discuss the supplementary budget to determine whether we approve the government's way of spending public funds. There is nothing to be gained by lengthy discussions since most of the relevent bills will be submitted to the house for consideration.

I might add that those who may be trying to get some publicity out of this have chosen a very bad time for it because, right now, Canadians are much more interested in buying Christmas gifts than reading our speeches.

That is why I feel this debate should be postponed until after the holidays.

(Text):

Mr. Roxburgh: At this point I should like to speak on a subject which is of the greatest importance to this nation, and that is the physical fitness program which has not yet been dealt with in this house. The importance of this program is possibly greater than hon. members realize.

On August 25, 1961, the Prime Minister at the opening of the hockey hall of fame promised $5 million for a physical fitness and athletic program. He went on to say that such a program was vital to mental and physical health in a demanding world and for purposes of national prestige in the fight against communism. That is fine.

I am glad to see that the Minister of National Health and Welfare has come in. It has been my privilege to have travelled with Canadian hockey teams not only throughout Canada and the United States but throughout Europe. It has been my privilege to be with Canadian hockey teams in Russia and in the city of Moscow. In that city, which contains between six million and eight million people, they have ten recreational parks established at a cost of a million dollars a year to the city. The smallest park extends over 250 acres, and the largest is approximately 2,000 acres. In each one of those parks there is every known facility for the development of physical fitness and an amateur program. While I was there I read some Russian sport magazines and in those magazines full credit was given to their physical fitness program for the success of Russian athletes in world competition. And I will tell hon. members this, that in days of peace the performance of our athletes in world competition creates the prestige which other countries go by. Do not let us forget that.

I think we were all ashamed, and every Canadian in this house was ashamed at the reports which came back during the last two world wars of the physical unfitness of so many of our young men who went to serve in the armed forces.

An hon. Member: What did your government do about it?

Mr. Roxburgh: If hon. members opposite have something to say I will be very glad to hear them after I have finished. If any one of them wants to take me on in a debate on this physical fitness program I should be glad to take him on.

After the Prime Minister had made his statement, one of the leading press writers in Toronto told me: "Jack, look, this is a wonderful idea but politics are going to get into it." I said: "No, you are absolutely wrong." However, I was wrong. The Minister of National Health and Welfare is here. I want to say I have every respect for him as a man, and when the Prime Minister handed him the job of handling the physical fitness program he handed him a tiger by the tail.

I do not know how other hon. members borrow money, but when I have to borrow money to conduct my business I go to the bank. What does the bank say? Does the bank say: "Here are so many dollars, Jack. You can make up your program after I have given you the dollars." No. They say: "Give me a plan and then we will lend you the money". But what did the Prime Minister do? Right out of a hat—and I will make a bet there was no other minister who knew what he was going to say—he promised $5 million, against nothing. The thought was "We will get the plan rolling after we get the $5 million." I am sorry to say the plan does not exist.

Coming back to the politics within the physical fitness program may I say this. As I said previously, I realize that when I am making this statement it is certainly not personal in any way, shape or form. In the beginning when people were asking for information, it was my privilege—

The Chairman: Order.

Mr. Churchill: I wonder whether the committee would continue for a few minutes in order that we might perhaps finish interim supply.

Mr. Roxburgh: I am sorry, but if the committee wish to continue for half an hour that is fine with me.

Mr. Churchill: That is fine with me.

The Deputy Chairman: Order. It being ten o'clock, shall I rise and report progress and request leave to sit again at the next sitting of the house?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: I wonder if the house leader could indicate how he hopes to have the business conducted for the next two days?

Mr. Monteith: Expeditiously.

Mr. Pickersgill: I would advise the hon. member to leave it to the house leader.

Mr. Churchill: I hope it will be conducted in an orderly fashion. I would be quite content to sit here tonight for another hour or two if we could finish interim supply. If not, we shall be obliged to go on with interim supply tomorrow. I urge hon. members to consider the fact that time is beginning to run out and that we should pass this business.

Mr. Nowlan: We will adjourn over Christmas and come back on December 27.

Mr. Speaker: Order.

[Mr. Roxburgh.]

Mr. Churchill: I think it is a little bit difficult to go beyond tomorrow, without some knowledge of when this debate will conclude. I should like to make this request for tomorrow on a different subject. I had hoped today at five o'clock to ask the house to give consent to consider Bill C-82 on procedure with regard to divorce, but other private bills which had precedence took up the allotted time. I now put this request before the house. Instead of discussing notices of motions tomorrow at five o'clock could we take under consideration Bill C-82? As far as this party is concerned, it is open to any member to vote as he wishes on it. It is not a party matter. However, we should like to bring this bill forward in order to get on with the question of divorce. This bill seems to present a method which might be tried out by parliament, even if it is not the most satisfactory one. I should like to hear from the other parties whether tomorrow at five o'clock we could consider that bill.

Mr. Pickersgill: So far as we are concerned, Mr. Speaker, I think I can safely say that we would be prepared to accept the suggestion made by the hon. gentleman on the understanding that this was not just going to be an hour's debate but rather that there was some disposition to reach a determination of this matter. We take the same view as the minister has expressed so far as his friends are concerned, namely that as far as any vote on the bill is concerned, it is up to each individual member to vote as he wishes. We have no position on the bill itself, except that we are prepared to have it come to a determination. However, it does not seem to me that any purpose whatsoever would be served by merely taking an hour appointed for some other purpose just in order to have a futile debate. Speaking for myself and, I think, for my friends I may say that unless there is agreement among the parties to bring this matter to a determination tomorrow, we would be willing, and we think it would be much more sensible, to use the hour in order to enable the government to get through those two or three measures about which the minister spoke earlier, on the understanding that this hour would not be lost if the session progresses later on.

We see a certain problem which the minister has with respect to university grants and this sewage treatment project measure, and I understand that is all that is involved. There is also this bill concerning a railway branch line in New Brunswick which I understand the C.N.R. is just waiting to have passed so that they can provide jobs for some people. We should very much like to do that.

As I say, I agree with the minister that if we can reach a determination of the divorce business in one hour we should be very happy to agree to that suggestion. However, if there is not agreement that it can be determined in one hour I suggest that instead we allow the government to have that hour, not for supply but rather to help the government with these three other measures which I think there is fairly general agreement we should all like to see passed.

Mr. Patterson: We in this group are in accord with the suggestion made by the house leader in this particular regard. We would be prepared to have this bill brought before us tomorrow at five o'clock. We would also hope that it would come to the point of determination during that hour. It is not our intention to debate the bill to any great extent. We would possibly just have one speaker make a brief statement presenting our position on it and then would allow it to pass. However, we would hope that if it was brought forward it would come to the point of determination and that we would have a vote on it.

Mr. Speaker: I recognize the hon. member for Burnaby-Coquitlam.

Mr. Douglas: Mr. Speaker, I thought you said the other day that you did not want members of the various groups getting into this discussion.

Mr. Speaker: These are peculiar circumstances which the Chair will recognize.

Mr. Douglas: If Your Honour is recognizing these peculiar circumstances, I should like to say that I prefer not to make any commitment at this time. However, I should be glad to discuss the proposals that have been made both by the leader of the house for the government and by the hon. member for Bonavista-Twillingate. I should be glad to discuss them with my colleagues in the morning and to let the Minister of Veterans Affairs know the result in plenty of time before the house opens.

Mr. Pickersgill: I think that is a very sensible suggestion, and I concur in it. I hope that in one way or another we can use this time to better advantage than in discussing the motion that is set down for tomorrow. We recognize that there is some public business that ought to be concluded.

Mr. Churchill: I have just one last word to say, Mr. Speaker. Will the representatives of the various parties meet in my room, 426N, tomorrow at two o'clock?

It being eight minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, December 19, 1962

The house met at 2.30 p.m.

BROADCASTING ACT

AMENDMENTS RESPECTING RESTRICTIONS ON POLITICAL BROADCASTS

Mr. Harry C. Harley (Halton) moved for leave to introduce Bill No. C-100, to amend the Broadcasting Act (political programs).

Some hon. Members: Explain.

Mr. Harley: Mr. Speaker, at present the Broadcasting Act prohibits political broadcasts anywhere in Canada on election day and the two days preceding election day whether the election is federal, provincial or municipal. This bill is to amend the act so that it will apply only to those radio stations or broadcasting stations where the broadcasting range reaches the actual election area.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*TUNNEL BETWEEN VANCOUVER AND SEA ISLAND

Question No. 778—**Mr. Prittie:**

Has the government in its possession a report from CBA Engineering Limited of Vancouver concerning the feasibility of a tunnel connecting the city of Vancouver and Sea island and, if so, has this report received further consideration since the Vancouver international airport came under federal ownership?

Mr. McCleave: A report from CBA Engineering Limited on a tunnel from Vancouver to Sea island was received by the Department of Public Works. This report was not prepared at the request or cost of the federal government. No further consideration has been given to it, since at the time of the agreed payment of $400,000 by the federal government to the province in 1958 for a portion of the capital cost of this access tunnel, it was understood that the structure would be a provincial responsibility and that federal responsibility for access to Sea island was discharged.

(Translation):

C.N.R.—SERVICE BETWEEN EDMUNDSTON, N.B. AND LEVIS, QUE.

Question No. 907—**Mr. Dube:**

Has the Canadian National Railways Company reconsidered its decision to suspend during the summer months, and to continue every second and third day during the winter season, the service between Edmundston and Levis (trains No. 67, 70 and 68, 69) with a view to providing a regular daily year-round service for the large population of the entire region?

Mr. McBain: The management of the Canadian National Railways has sent me the following information:

There was a day coach service three times a week during the winter and the autumn of 1961. In December 1961, a complete train service was re-established. From Montreal this train had a sleeping car connecting with the ocean limited at Levis. Passengers using this service were few and most of them got on at Edmundston. There were also few passengers picked up from intermediate points in the areas of Charny and of Monk. As there had been so few passengers last winter and in the light of a careful analysis of the market possibilities for this winter, a semi-weekly service has been established between Edmundston and Levis with connection for passengers going to Montreal. Traffic on this service will be carefully considered and any future service or changes will be made according to the traffic potential of those trains.

(Text):

ALTERNATIVE ACCESS TO SEA ISLAND AIRPORT, VANCOUVER

Question No. 972—**Mr. Laing:**

1. Is the Minister of Public Works aware of the congestion and occasional failure of the swing-bridge over Moray channel, being the sole approach to Vancouver international airport?

2. Is consideration being given to or have any studies been made of, an alternative access to Sea island from Vancouver city?

3. Have any submissions of plans been made to the government for a tunnel approach from the south end of Granville street thence direct to the site of the new terminal building and, if so, has the government plans to proceed with this undertaking?

Mr. McCleave: 1. Yes; and that the bridge is under the jurisdiction of the province of British Columbia.

2. Not by the Department of Public Works.

3. Yes. An engineering firm made such a study on its own initiative, and submitted a copy to the Department of Public Works. No consideration has been given to the report here, since at the time of the agreed payment

of $400,000 by the federal government to the province in 1958 for a portion of the capital cost of this access bridge, it was understood that the structure would be a provincial responsibility and that federal responsibility for access to Sea island was discharged.

FREIGHT RATES, PINE POINT RAILWAY

Question No. 1,053—**Mrs. Hardie:**

Do the provisions under which the Pine Point railway is to operate ensure that upon its completion carlot shipments from eastern Canada will have applied to them the one and one third transcontinental rate structure that applies to destinations in Alberta and, if so, what will be (using present tariff) the rate per 100 lbs. on (a) minimum carlots canned vegetables, Toronto-Hay river (b) carlot furniture, Toronto-Hay river?

Mr. McBain: The management of Canadian National Railways advise as follows:

The Great Slave lake railway is under construction and the projected estimated completion date is the fall of 1966 at which time, when it is in full operation, it will be subject to the then existing statutes and regulations of the Board of Transport Commissioners for Canada covering the operation of such railways. As a matter of information, section 337 of the Railway Act defines "eastern territory" as any point on a line of railway east of Port Arthur, Ontario or Armstrong, Ontario; "western territory" as any point on a line of railway in British Columbia to which competitive transcontinental tolls apply, and "intermediate territory" as any point between eastern and western territory on any line of railway.

The provisions of this section of the act stipulate that rates to intermediate territory shall not exceed by more than one third the competitive toll in effect to eastern or western territory.

Generally speaking, as destinations on the Pine Point railway qualify under the term "intermediate territory" the effective rates, if that railway were today in operation, would be those within the scope of one and one third of any applicable transcontinental competitive rate.

(Translation):

BAGOTVILLE, QUE.—CONSTRUCTION OF AIRPORT TERMINAL

Question No. 1,056—**Mr. Cote:**

1. Are plans under way for the construction of a civilian terminal building at the military airport at Bagotville and, if so, when will construction be undertaken?

2. What is the estimated total cost of the construction program and has any amount yet been appropriated?

Mr. Balcer: The immediate construction of a civilian terminal building at the Bagotville airport is not being considered, although that project is included in the long-term program of my department. The construction date of that project will be determined by the needs of the air lines, the increase in traffic and the availability of the necessary funds.

It would be too early to try to establish the approximate cost of those works as long as no decision is taken concerning their execution.

Mr. Speaker: The Secretary of State asks that questions 1,145 to 1,149 inclusive stand.

(Text):

C.N.R. ATLANTIC REGION—EMPLOYEES IN PERSONNEL WORK

Question No. 1,060—**Mr. Crossman:**

1. What are the names of the C.N.R. employees stationed in the Atlantic region who are engaged in personnel work as distinct from the labour relations field?

2. What is, for each of the above persons, (a) length of service with the company (b) educational background (c) ability to speak both official languages of the country?

Mr. McBain: The management of Canadian National Railways advise as follows:

The same answer applies as that given to question No. 935, wherein it was stated that the policy of the management concerning the questions raised was expressed on many occasions, especially in answer to question No. 344 of the session of the 24th parliament, where it was said that it is not the policy of the management to supply information from the personal files of officers and employees, a position which met with the approval of the sessional committee on railways, air lines and shipping, and that appointments are made after careful consideration of the qualifications and experience of the persons concerned.

PASSENGERS CARRIED BY FERRY "WILLIAM CARSON"

Question No. 1,077—**Mr. Tucker:**

1. What was the total number of passengers carried on the C.N.R. coastal ferry *William Carson* to and from Port aux Basques, Newfoundland, between January 1 and December 31, inclusive, during the years 1959, 1960, and 1961?

2. (a) Was the *William Carson* able to carry all passengers who sought transportation from January 1 to November 30, inclusive, 1962, to Port aux Basques (b) were extra ferries added to the service (c) what was the number of passengers carried during this period?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. 1959, 52,251 passengers; 1960, 62,366 passengers; 1961, 62,566 passengers.

2. (a) No. (b) Yes. (c) *William Carson*, 66,930; others, 6,458; total, 73,388.

Questions

COUNCIL ON FITNESS AND AMATEUR SPORT

Question No. 1,078—**Mr. Roxburgh:**

1. (a) What is the total amount to date, including grants to provinces, spent by the government on the recommendation of the national advisory council on fitness and amateur sport (b) does the amount include any of the projects recommended by the advisory council at its November 16 meeting and, if so, what are the projects and the amount granted for each?

2. Has the province of Quebec become an official member of the national advisory council on fitness and amateur sport and, if so, as of what date?

Mrs. Casselman: 1. (a) $397,435 has been spent on the recommendation of the national advisory council on fitness and amateur sport. In addition, grants totalling $214,785 have been made to the provinces. (b) No.

2. The provinces are not represented as such on the national advisory council on fitness and amateur sport. Members serve as private individuals, though residents of each province are included on the council.

All provinces except Quebec have now signed a federal-provincial agreement under the Fitness and Amateur Sport Act.

LIMITED DIVIDEND, LOW RENTAL AND REDEVELOPMENT LOANS

Question No. 1,084—**Mr. Scott:**

Under the provisions of the National Housing Act, in each of the years ended December 31, 1958, 1959, 1960, and 1961, in each province, how many (a) limited dividend loans were made, and what was the total value of such loans (b) low rental loans were made and what was the total value (c) loans were made for the acquisition of existing rental projects, and what was the total value (d) loans were made for slum clearance and/or urban redevelopment, and what was the total value of said loans?

Mr. McCleave:

(a)

NET LIMITED DIVIDEND LOANS APPROVED 1958-1961
(LOW RENTAL HOUSING PROJECTS)

Area	1958		1959		1960		1961	
	No. of Loans	Amount $000	No. of Loans	Amount $000	No. of Loans	Amount $000	No. of Loans	Amount $000
Newfoundland	—	—	—	—	—	—	—	—
Prince Edward Island	—	—	—	—	—	—	—	—
Nova Scotia	—	—	—	—	—	—	—	—
New Brunswick	—	—	1	80	1	42	—	—
Quebec	16	18,450	9	6,683	3	1,811	—	—
Ontario	23	21,831	23	21,730	14	7,961	26	18,707
Manitoba	7	4,113	2	1,412	4	282	5	551
Saskatchewan	1	596	4	856	3	629	3	307
Alberta	3	3,533	3	4,491	—	—	5	4,671
B.C.	11	711	4	218	5	308	14	1,247
Yukon	—	—	—	—	—	—	—	—
Northwest Territories	—	—	—	—	—	—	—	—
Total	61	49,234	46	35,470	30	11,033	53	25,483

Questions

(b) Low rental projects under section 36 of the National Housing Act are not financed by way of loan but by capital investment by the federal-provincial-municipal partnership. The federal government bears 75 per cent of the capital cost. In the years 1958, 1959, 1960 and 1961 the following are the number and costs of projects approved:

	1958		1959		1960		1961	
Province	No. of Projects	Estimated or Actual Cost* $000	No. of Projects	Estimated or Actual Cost* $000	No. of Projects	Estimated or Actual Cost* $000	No. of Projects	Estimated or Actual Cost* $000
N.B.	—	—	—	—	1	1,101	—	—
N.S.	—	—	—	—	1	2,466	—	—
Ont.	8	8,352	6	6,197	—	—	4	10,445
Sask.	—	—	1	1,108	—	—	—	—
B.C.	—	—	—	—	2	4,105	1	776
Total	8	8,352	7	7,305	4	7,672	5	11,221

*Estimates used where final costs not yet determined.

(c) Section 36 (1)(*c*) of the National Housing Act provides for the acquisition, improvement and conversion for housing purposes of existing buildings situated in an area designated as an urban renewal area. No projects have been acquired and developed under this section.

Under section 16 of the National Housing Act, the corporation may make a loan to a limited dividend housing company for the purchase of existing buildings and the land upon which they are situated and their conversion into a low rental housing project. There have been no such loans for the years in question.

(d) Urban renewal projects under section 23 of the National Housing Act are not financed by way of loan. The federal government may contribute up to one half the costs of acquiring and clearing such projects. In the years 1958, 1959, 1960, and 1961, the federal government approved the following contributions:

	1958		1959		1960		1961	
Province	No. of Projects	$000	No. of Projects	$000	No. of Projects	$000	No. of Projects	$000
N.S.	—	—	1	90	—	—	—	—
N.B.	—	—	—	—	1	1,613	—	—
Ont.	—	—	2	6,242	1	1,585	—	—
Man.	—	—	—	—	—	—	1	3,690
B.C.	—	—	—	—	1	2,401	—	—
Total	—	—	3	6,332	3	5,599	1	3,690

INCOMES OF PURCHASERS OF N.H.A. HOMES

Question No. 1,085—**Mr. Scott:**

Under the provisions of the National Housing Act, in each of the years ended December 31, 1945, 1946, 1947, and 1948, in each province, (a) how many single family dwelling loans were made (b) what was the total amount of the said loans (c) how many approved purchases of houses built under the said act received, per year, (i) under $2,000 (ii) between $2,000-$2,999 (iii) between $3,000-$3,999 (iv) between $4,000-$4,999 (v) between $5,000-$5,999 (vi) between $6,000-$6,999 (vii) between $7,000-$7,999 (viii) between $8,000-$8,999 (ix) between $9,000-$9,999 (x) over $10,000?

Mr. McCleave: *Questions*

(a) and (b)

TOTAL N.H.A. LOANS APPROVED FOR HOME-OWNERSHIP DWELLINGS, 1945-1948*

Area	1945		1946		1947		1948	
	Loans	Amount $000	Loans	Amount $000	Loans	Amount $000	Loans	Amount $000
Newfoundland	—	—	—	—	—	—	—	—
Prince Edward Island	—	—	5	26	5	25	35	196
Nova Scotia	60	270	114	541	263	1,351	316	1,664
New Brunswick	24	104	89	424	128	686	300	1,702
Quebec	465	2,212	739	3,643	1,558	9,604	2,820	20,176
Ontario	2,502	10,573	3,713	16,843	4,191	21,611	7,156	39,961
Manitoba	734	3,158	1,149	5,699	1,371	7,210	1,266	7,596
Saskatchewan	97	415	261	1,150	166	805	111	571
Alberta	479	2,099	669	3,060	983	5,048	2,019	10,787
British Columbia	684	2,759	1,299	5,506	1,255	5,484	2,273	10,659
Yukon Territory	—	—	—	—	—	—	—	—
Northwest Territories	—	—	—	—	—	—	2	13
Total	5,045	21,590	8,038	36,892	9,920	51,824	16,298	93,325

* Data do not take account of cancellations.

(c)

NUMBER OF BORROWERS AND PURCHASERS UNDER THE NATIONAL HOUSING ACT, BY SELECTED INCOME GROUPS, 1946*

Applicants' Income	Number of Borrowers and Purchasers
$	
Under 2,000	1,533
2,000 to 2,999	2,145
3,000 to 3,999	644
4,000 to 4,999	164
5,000 to 5,999	73
6,000 to 6,999	27
7,000 to 7,999	8
8,000 to 8,999	4
9,000 to 9,999	1
10,000 and over	9
Total	4,608

*Data available only for Canada, with no provincial breakdown.

Questions

NUMBER OF BORROWERS AND PURCHASERS UNDER THE NATIONAL HOUSING ACT, BY SELECTED INCOME GROUPS, 1948

Family Income*	Number of Borrowers and Purchasers									
	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
$										
Under 1,800	2	11	5	10	57	8	2	12	56	163
1,800–2,099	6	34	17	58	415	99	8	94	255	986
2,100–2,399	5	67	39	104	797	198	9	225	302	1,746
2,400–2,699	7	77	31	214	1,350	315	20	355	407	2,776
2,700–2,999	5	29	22	131	785	185	17	212	214	1,600
3,000–3,499	3	50	28	247	1,135	229	21	321	325	2,359
3,500–3,999	1	25	27	159	574	127	10	179	164	1,266
4,000–4,999	2	19	21	168	482	109	15	16	1430	1,119
5,000 and over	3	17	27	144	318	124	14	156	82	885
Total	34	329	217	1,235	5,913	1,394	116	1,714	1,948	12,900

* Data available only on a family income basis and with different income intervals than those requested.

NOTE: Data for the years 1945 and 1947 not available.

C.N.R. PASSENGER SERVICE, HALIFAX-SYDNEY, N.S.

Question No. 1,099—**Mr. MacInnis:**

1. Have any complaints or criticisms been received by the Canadian National Railways with regard to the rail liner services between Halifax and Sydney?

2. Is the Canadian National Railways prepared to make available more comfortable accommodation for passengers willing to pay higher fares, than what is presently available?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. Some representations have been received in the Atlantic region concerning the scheduling of these trains. The revised schedule will go into effect December 31, 1962.

2. It is the objective of the company to compete vigorously for passenger business in those areas where facilities and size of the travel market provide a reasonable expectation that the company can realize a profit by so doing, and to withdraw from those services that in spite of reasonable efforts do not produce sufficient revenues to offset their operating costs and have no reasonable prospect of doing so.

C.N.R. TRAINS 603 AND 604, TRURO-SYDNEY, N.S.

Question No. 1,100—**Mr. MacInnis:**

1. What arrival and departure time changes are involved in the revised operating schedule of the Canadian National Railways with regard to trains 603 and 604 between Truro and Sydney?

2. Does the management of the C.N.R. anticipate that increased passenger traffic between Truro and Sydney will make up the loss in assured annual revenue of some $91,000, the sum paid by the Post Office Department to the railway for the use of postal cars on trains 603 and 604, under their revised operating schedule?

[Mr. McCleave.]

3. Does the C.N.R. intend to continue the operation of trains 603 and 604?

4. With respect to the changes in the schedule of trains 603 and 604 on December 29, 1962, has the Post Office Department indicated that it was prepared to continue to operate postal services on said trains?

5. Is the management of the C.N.R. prepared to co-operate with the Post Office Department by making it possible to continue the railway postal service?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. Effective December 31, 1962, the scheduling of the trains referred to is as follows:

Trains 607-604 will depart Halifax at 7.30 a.m. and leave Truro at 8.55 a.m. (1 hour 55 minutes later than at present), arriving Sydney at 2.30 p.m. (1 hour 15 minutes later than at present). Trains 603-608 will leave Sydney at 3 p.m. (1 hour 5 minutes later than at present), arriving Truro at 8.35 p.m. (35 minutes later than at present) and run through to Halifax arriving at 10 p.m. (20 minutes earlier than at present).

2. It is expected that the improved schedule will result in a more favourable cost versus revenue ratio for this operation.

3. The new schedules are designed in an endeavour to attract additional passenger traffic. A careful market analysis will be made over the next few months covering the actual operation.

4. No.

5. The Canadian National Railways has excellent relations with the Post Office Department and is prepared to co-operate at all times.

(Translation):

C.N.R.—QUALIFICATIONS AND RECORDS OF MESSRS. GORDON AND WILSON

Question No. 1,108—**Mr. Boulanger:**

1. In what year did the president of the Canadian National Railways, Mr. Donald Gordon, emigrate to Canada?

2. What educational certificates did he have when he joined the C.N.R.?

3. Did the present chief of personnel of the C.N.R., Mr. W. T. Wilson, act during the war years as Mr. Gordon's assistant at the wartime prices and trade board and, if so, what railway experience did Mr. Wilson have when he joined the C.N.R.?

Mr. McBain: We are informed by the management that biographical notes concerning Messrs. Donald Gordon and W. T. Wilson are found in the reference books.

(Text):

DREDGING, FRASER RIVER, B.C.

Question No. 1,117—**Mr. Douglas:**

Has any dredging been done by an agency of the federal government during the first ten months of 1962 in that portion of the Fraser river from Port Mann to Hope and, if so (a) how much, and at what cost (b) whose dredge or dredges are at present engaged in this portion of the river (c) what capacity have these dredges, and (d) what are the financial arrangements?

Mr. McCleave: Yes.

(a) Approximately 81,000 cubic yards at a total cost of $36,220.00.

(b) One owned by Scuffler Dredging Company, Chilliwack, and another owned by Fraser River Dredging Company, Chilliwack.

(c) The Scuffler dredge is a Saureman scraper type and has a production capacity of 440 cubic yards per day. Excavated material is moved distances up to 1,000 feet. The Fraser River Dredging Company plant is a water dozer type limited to short haul operations of less than 500 feet. It has a production capacity of 840 cubic yards per day.

(d) The dredges were employed on a plant rental basis after public tender call and the contracts were awarded to the lowest bidders. The contract rates are:

Scuffler plant	—	$245 per day
Fraser River plant	—	$276 per day

(Translation):

APPOINTMENT OF TRADE PUBLICITY DIRECTOR

Question No. 1,121—**Mr. Legare:**

1. Does the Department of Trade and Commerce propose to appoint a director of trade publicity who, among other duties, would be called upon to travel in Canada and abroad and, if so, would it be an asset if this officer were bilingual?

2. Does the civil service commission intend to give priority to a bilingual candidate?

Mr. Nesbitt: 1. The position of trade publicity director in the Department of Trade and Commerce was advertised recently by the civil service commission. Even though, according to the commission and under section 47 of the Civil Service Act, a knowledge of English and French is not deemed essential to enable the new incumbent to perform his duties properly and provide an adequate service to the public, nevertheless, the commission feels that a knowledge of both languages would prove most useful. Therefore, this consideration will be taken into account when the candidates to this position are examined.

2. Answered by 1.

T.C.A.—PUBLICITY PAMPHLETS IN BOTH LANGUAGES

Question No. 1,141—**Mr. Deschatelets:**

Are the various publicity pamphlets, placed at the disposal of the passengers on T.C.A. printed in both official languages?

Mr. McBain: The management of T.C.A. informs me that publicity material on board its aircraft are either in several languages, including French, or in both French and English. The company's timetables are now fully bilingual and are distributed everywhere in Canada, the United States, the United Kingdom, Europe and the West Indies. The magazine "In Flight", its French language counterpart and a booklet of multilingual maps are at the disposal of passengers on T.C.A. aircraft.

At the end of 1962, T.C.A. will have published 43 folders in French, 2,885,000 copies of which have been distributed through the company's offices, travel agencies or directly through the mail.

(Text):

JUVENILE OFFENDERS IN FEDERAL PENITENTIARIES

Question No. 1,151—**Mr. Orlikow:**

1. In connection with juvenile offenders who are in federal penitentiaries, who decides that they should be incarcerated there?

2. In how many cases did the court have presentence recommendations from social workers, probation officers, psychiatrists, etc.?

3. What facilities, if any, are there for segregation of these juveniles from the adult inmates?

Mr. Bell (Saint John-Albert): 1. The judge or magistrate of the adult court in which the juvenile is tried.

2. Information not available.

3. No separate facilities exist as such. However, in the Montreal area many are transferred to the federal training centre, an institution for young offenders, and an attempt is made to segregate them from the older aged groups. In other federal penitentiaries, attempts are made to segregate

juveniles from the adult inmates, but the overcrowded conditions in the federal penitentiaries preclude the provision of completely segregated areas.

PAROLE OFFICERS, DEPARTMENT OF JUSTICE

Question No. 1,154—**Mr. Orlikow:**

1. How many parole officers are employed by the Department of Justice, and what is their jurisdiction?

2. How many of these are trained social workers?

3. How many are university graduates in the social sciences?

4. Does the department make provisions for bursaries for the training of more parole officers and, if so, how many bursaries, and for how much?

Mr. Bell (Saint John-Albert): 1. 42. The jurisdiction of those employed in the field offices is geographically limited to specified areas and the duties include the direct interviewing of applicants for parole; the direct or indirect supervision of persons on parole and the maintenance of liaison with crown authorities.

Generally speaking, the jurisdiction of parole officers employed at headquarters is geographically limited to a specified area and their duties include the assembly of data necessary to the study of parole cases; the preparation of summaries, based on the data assembled, for consideration by the national parole board and the performance of incidental duties.

2. 14.

3. 12.

4. No.

PAYMENTS TO INFORMERS RESPECTING TAX EVASIONS

Question No. 1,160—**Mr. Benson:**

Has the government made payments during the 1960, 1961, and 1962 fiscal years to persons who inform on fellow citizens in the matter of tax evasion and, if so (a) are such payments considered as taxable income in the hands of the recipient (b) what was the total amount paid to such informers during the 1960, 1961, and 1962 fiscal years (c) what was the number of such informers in each taxation district in Canada during the 1960, 1961, and 1962 fiscal years (d) what was the total amount of such payments in each taxation district during the 1960, 1961, and 1962 fiscal years, and (e) where are such payments reflected in the public accounts?

Mr. Flemming (Victoria-Carleton): (a) Yes.

(b) $2,272.

(c) Newfoundland taxation division, 1; Montreal taxation division, 1; Toronto taxation division, 1.

[Mr. Bell (Saint John-Albert).]

(d) Newfoundland taxation district, $242; Montreal taxation district, $1,030; Toronto taxation district, $1,000.

(e) Such payments are reported in the public accounts as expenditures for law costs.

*CHANGE IN METHOD OF CAPITAL PUNISHMENT

Question No. 1,164—**Mr. Roxburgh:**

Has the government any plans for a more humane method of capital punishment than by hanging?

Mr. Bell (Saint John-Albert): The answer to this question is that legislation would be required to effect a change in the method of capital punishment. None is proposed at present.

*CENTRAL PLACES OF EXECUTION

Question No. 1,165—**Mr. Ryan:**

Has the government any plans for a central place of execution in each province and for the territories?

Mr. Bell (Saint John-Albert): The answer to this question is that this matter falls under provincial jurisdiction. So far as the territories are concerned the answer is no.

BURNT CHURCH INDIAN RESERVE, N.B.—ROAD PROJECTS

Question No. 1,166—**Mr. McWilliam:**

Were road construction and road repair projects carried out on lands of the Burnt Church reserve of the Miramichi Indian agency, New Brunswick, within the last five years and, if so, were the costs of these projects defrayed from the Burnt Church Indian band fund in whole or in part, and what was the amount for each project?

Mr. McGee: Yes, all of the amounts shown in the following table were expended from departmental appropriations. No expenditures from band funds were made for road work during the fiscal years shown.

Year	Repairs	New Construction
1957-58	Nil	Nil
1958-59	$ 994.93	Nil
1959-60	Nil	Nil
1960-61	$3,523.70	$9,080.04
1961-62	$ 47.50	$6,919.27

INTEREST PAYMENTS ON BONDS HELD OVERSEAS

Question No. 1,169—**Mr. Gregoire:**

What are the sums of money which have been sent out from Canada since 1942, in payment of interest on foreign bonds on overseas markets by (a) the government of Canada (b) the provincial governments (c) municipal corporations, and (d) school boards?

Mr. Nesbitt:

Interest payments on Canadian bonds and debentures held abroad for selected years[1]

	1942	1946	1955	1959	1960	1961
	(millions of dollars)					
(a) Government of Canada	26	30	17	20	23	25
(b) Provincial	23	25	34	51	64	68
(c) Municipal, including school boards (for which data are not available separately)	15	13	16	34	42	47

[1]Estimates are not available for other years.

INTEREST AND PROFITS TO FOREIGN COMPANIES

Question No. 1,170—**Mr. Gregoire:**

What are the sums, interest, and profits that companies with foreign capital have realized in Canada since 1942, and what are the sums, interest, and profits which have gone out of Canada to foreign countries since 1942?

Mr. Nesbitt:

Earnings and transfers of Canadian companies with foreign capital for selected years[1]

	1942	1946	1955	1959	1960	1961
	(millions of dollars)					
Estimated total earnings on foreign direct investment in Canada (no estimates are available for portfolio investment)[3]	[2]	279	672	768	700	[2]
Total dividends paid to non-residents on direct and portfolio investments, including profits of non-financial corporations net of withholding tax[4]	152	187	356	461	414	511
Interest paid by corporations on Canadian bonds and debentures held abroad, net of withholding tax[1]	54	57	60	105	110	119
Sub-total	206	244	416	566	524	630

[1]Estimates are not available for other years

[2]Not available

[3]Estimates for other years since 1946 are found on page 23 of "The Canadian Balance of International Payments, 1960" (Cat. No. 67-201)

[4]Estimates for other years since 1946 are found on page 77 of "The Canadian Balance of International Payments in the Post-War Years, 1946-1952", (Cat. No. 7503-508) and on page 22 of the publication cited in footnote [3].

LOWER FRASER VALLEY, B.C., FLOOD CONTROL

Question No. 1,176—**Mr. Douglas:**

What consideration, if any, is being given to federal participation in a flood-control scheme for the lower Fraser valley in B.C.?

Mr. Dinsdale: By agreement between the governments of Canada and of British Columbia the Fraser river board has studies under way which include consideration of flood control for the lower Fraser valley. No application for federal participation in such a flood control scheme has been received from British Columbia, and accordingly no consideration is being given to this question at the present time.

INDIAN RESERVE NO. 70, MATHESON, ONT.—LUMBER PERMITS

Question No. 1,177—**Mr. Laprise:**

1. In 1960-61-62, were any lumber permits granted to lumber operators in Indian reserve No. 70 at Matheson and, if so, what are the names of the licencees?

2. Were any applications for lumber permits refused in the years 1960-61-62 in the same reserve and, if so, by whom were these applications made?

Questions

Mr. McGee: 1. No. However, timber licence No. 452 which was issued to Lorenzo Baillargeon on October 15, 1959 expired on April 30, 1960.

2. Yes—Murray McArthur, Lorenzo Baillargeon, Alfred E. Wisman, La Sarre Telephone Inc.

Note: The applications and refusals listed in item 2 were refused principally because of the opposition of the chief and the Indians.

WINTER WORKS PROGRAM, TERRA NOVA NATIONAL PARK

Question No. 1,179—**Mr. Pickersgill:**

1. Has the government decided to undertake a winter works program in the Terra Nova national park and, if so, when is the program to begin?
2. How many additional employees will be required?
3. What additional sum of money will be spent, and what particular projects will be involved?
4. Is any additional work on the Eastport road included in any such program?

Mr. Dinsdale: 1. Yes. The program will be under way this month.

2. 35 to 40 (est).

3. Approximately $85,000 on the development of camp grounds and picnic sites, the clearing of fire trails and water supply line right of way, and other improvements to park facilities.

4. No.

CANADIAN CENTENNIAL—PROVINCIAL CO-OPERATION

Question No. 1,182—**Mr. Mather:**

1. How many provinces have indicated their readiness to co-operate with the federal government and the municipalities in taking advantage of federal grants for centennial projects?
2. Does the government contemplate an announcement during 1962 as to arrangements for processing applications for such grants?

Mr. Diefenbaker: 1. At the inaugural meeting of the national committee on the centennial of confederation, held in Ottawa on February 8, 1960, the representatives of each of the ten provinces gave assurance of the full co-operation of their respective governments in the preparations for the observance of the centennial. Seven provinces have either enacted legislation or established committees, or both, to facilitate centennial arrangements. To date, none of the provinces have forwarded firm applications for federal grants for particular local projects, but numerous local projects are known to be at various stages of study.

2. During October 1961 the Minister of Transport, as co-chairman of the national committee, announced the conditions and arrangements governing the making of federal grants for local centennial projects. Any changes that may be made in these arrangements from time to time will be announced.

*CRIMINAL LEGISLATION RESPECTING MENTAL CASES

Question No. 1,185—**Mr. Ryan:**

Is the government considering the introduction of any new legislation in respect to criminal or quasi-criminal procedures in mental or suspected mental cases by amendment to the Criminal Code or otherwise, either with or without collaboration with the provinces?

Mr. Bell (Saint John-Albert): Mr. Speaker, the answer to this question is that this subject is under continuing study.

REGIONAL INDUSTRIAL EXPANSION CONFERENCES

Question No. 1,188—**Mr. Gray:**

1. How many regional industrial expansion conferences were held under the sponsorship of the Department of Trade and Commerce between September 27 and December 14, 1962, and where were these conferences held?
2. How many representatives of labour attended these conferences, and (a) what are the names of each of these individuals (b) what are the names of the organizations they represented or were associated with?
3. When and where will other such industrial expansion conferences take place?

Mr. Nesbitt: 1. Between September 27 and December 14, 1962, two regional industrial expansion conferences were held under the sponsorship of the Department of Trade and Commerce. These conferences were held in Montreal on November 8 and in Hamilton on December 12. They were jointly sponsored with provincial government departments. The regional conferences followed the national industrial expansion conference which was held in Ottawa on September 7.

2. The labour representatives who attended the regional conferences are:

Mr. Russell Bell, acting director of research, Canadian Labour Congress, 100 Argyle avenue, Ottawa, Ontario.

Mr. J. Morris, C.L.C. executive vice president, Canadian Labour Congress, 100 Argyle avenue, Ottawa, Ontario.

Mr. Victor Trudeau, regional director of organization for Quebec, Canadian Labour Congress, 100 Argyle avenue, Ottawa, Ontario.

Mme. Huguette Plamondon, C.L.C. regional vice president, United Packinghouse, Food and Allied Workers, 4645 Iberville st., Montreal, P.Q.

Mr. L. Laberge, C.L.C. regional vice president, International Association of Machinists, 5697 Langelier st., Montreal, P.Q.

Mr. Marcel Pepin, Conf. des syndicats nationaux, Quebec city, P.Q.

Mr. Jean Marchand, president and general manager, Conf. des syndicats nationaux, Quebec city, P.Q.

3. The next regional industrial expansion conference will be held in Winnipeg on February 20, 1963. Tentative plans are also under way for a further conference in Vancouver.

UNEMPLOYMENT INSURANCE—CENTRALIZATION OF ADJUDICATION

Question No. 1,191—**Mr. Martin (Essex East):**

1. Has the Minister of Labour received complaints about the centralization of the processes of adjudication in contentious claims arising out of the Unemployment Insurance Act?
2. Will the minister take steps to provide for authority to local officers particularly in unemployment insurance bureaux such as that in the city of Windsor?
3. Has the minister received complaints that delays arise because of the present policy of centralizing decisions on contentious claims?

Mr. Hales: 1. Yes. The unemployment insurance commission since the implementation of the new procedure in 1960, has received 1 complaint in 1960 and another recently.

2 and 3. No delays in the handling of claims for unemployment insurance benefit are attributable to the present centralized system of adjudication. Investigation of complaints received showed that the reason for them was not attributable to the new system. Consequently no change in procedure is being contemplated by the commission at this time.

POLICY RESPECTING WATER AND AIR POLLUTION

Question No. 1,193—**Mr. Haidasz:**

1. Has the government a national policy with regard to water and air pollution and, if so, what are the guide lines of such policy?
2. What steps does the government take to implement its policy?

Mrs. Casselman: 1. The primary responsibility for the control of air and water pollution rests with the provinces except in the case of international pollution problems and those arising from interprovincial railway systems and shipping within Canadian waters.

The federal government actively participates in studies of international and national significance through the provision of laboratory services, expert consultative service, technical assistance and financial aid under the national health grants program. The federal government also provides loans for municipal sewage treatment projects to abate water pollution as authorized under the National Housing Act.

2. The federal government implements its policy by the adoption of recommendations of the international joint commission. Regulations for the control of air pollution from railway locomotives are formulated by the Board of Transport Commissioners for Canada and regulations for the control of water pollution by oil, by the Department of Transport.

BALTIC STATES—DIPLOMATIC RECOGNITION OF CONSULS IN CANADA

Question No. 1,194—**Mr. Haidasz:**

Has the Prime Minister taken any further action with regard to the question of granting diplomatic recognition to the exiled consuls of the Baltic states now resident in Canada?

Mr. Diefenbaker: Mr. Speaker, in keeping with the remarks I made in Toronto on June 14, 1962, concerning the government's attitude regarding the status of the representatives of the Baltic countries in Canada, we have listed these officials as acting consular representatives in the October edition of the Department of External Affairs official publication "Canadian Representatives Abroad and Representatives of Other Countries in Canada".

INSTRUCTIONS TO U.N. DELEGATION

Question No. 1,195—**Mr. Haidasz:**

What stand has the Canadian delegation to the United Nations been instructed to take with regard to (a) the Rapacki plan for a nuclear free zone of central Europe and (b) the Oder-Neisse western boundary between Poland and East Germany?

Mr. Green: (a) The Rapacki plan was referred to by a number of delegations during the general assembly's consideration of the disarmament item, but the plan as such was not up for discussion.

(b) There is no question on the Polish-German boundaries before the United Nations.

BUTTER—EXCESS OF PRODUCTION OVER CONSUMPTION

Question No. 1,196—**Mr. Matheson:**

Assuming that the per capita volume of butter consumed is uniform across Canada, by what percentage has each province's production exceeded its consumption during each of the years 1959, 1960, and 1961?

Mr. Nesbitt:

Province	1959 %	1960 %	1961 %
Prince Edward Island	+234	+212	+251
Nova Scotia	— 64	— 69	— 66
New Brunswick	— 23	— 24	— 20
Quebec	+ 46	+ 48	+ 67
Ontario	— 16	— 14	— 3
Manitoba	+ 66	+ 68	+ 74
Saskatchewan	+ 82	+ 88	+ 95
Alberta	+ 58	+ 78	+ 95
British Columbia	— 84	— 81	— 77

EXECUTIONS OF TURPIN AND LUCAS, TORONTO

Question No. 1,199—**Mr. Matheson:**

1. Prior to the executions of Ronald Turpin and Arthur Lucas at Don jail, what percentage of

persons sentenced to hang had received commutations to life imprisonment since this government took power?

2. How many days intervened between the time that Turpin was sentenced to death and finally informed that commutation had been refused, and how many hours then intervened until he was hanged?

3. How many days intervened between the time that Lucas was sentenced to death and finally informed that commutation had been refused, and how many hours then intervened until he was hanged?

Mr. Bell (Saint John-Albert): 1. Prior to the executions of Ronald Turpin and Arthur Lucas, since this government took power, the death sentence has been commuted to life imprisonment in 49 of the 61 cases in which it was imposed or 80 per cent.

2. Turpin was sentenced on June 13, 1962. A telegram was sent from the Department of Justice to the sheriff on December 10, 1962 advising the sheriff there would be no interference with the sentence and the sheriff at 10 a.m. o'clock on the same day acknowledged such telegram. It is not known when the sheriff so advised Turpin. The sheriff has indicated that the death sentence was carried out on December 11, 1962 but did not indicate the exact time.

3. Lucas was sentenced on May 10, 1962. A telegram was sent from the Department of Justice to the sheriff on December 10, 1962 advising the sheriff there would be no interference with the sentence and the sheriff at 10 a.m. o'clock on the same day acknowledged such telegram. It is not known when the sheriff so advised Lucas. The sheriff has indicated that the death sentence was carried out on December 11, 1962 but did not indicate the exact time.

SUSTAINING WALL, ST. VALLIER, BELLECHASSE CONSTITUENCY

Question No. 1,200—**Mr. Dumont:**

Who was awarded the contract for the construction of the sustaining wall at St. Vallier, Bellechasse constituency, in 1961, and at what cost?

Mr. McCleave: Les Entreprises J. R. Denoncourt Enrg., de Nicolet (P.Q.); $8,547.

ARTIFICIAL CHRISTMAS TREES—IMPORTS FROM JAPAN

Question No. 1,202—**Mr. Dumont:**

1. What quantity of artificial Christmas trees has been imported from Japan for each year since 1959?

2. What is the present average retail price of these Christmas trees?

3. Have any complaints been received concerning the effect of these importations on the sale of Christmas trees in the province of Quebec?

Mr. Nesbitt: 1. Imports of artificial Christmas trees are classified by material in the following statistical classes:

6,015—Aluminum manufactures n.o.p.; 7,127—Manufactures of glass n.o.p.; 8,450—Manufactures of plastics n.o.p.; 9,255—Alabaster, spar, amber, terra cotta, or composition ornaments.

There are no separate figures available on artificial Christmas trees.

2. No information is available at the dominion bureau of statistics on the average retail price of artificial Christmas trees.

3. No.

*PREFABRICATED HOUSES, ST. SYLVESTRE, LOTBINIERE CONSTITUENCY

Question No. 1,203—**Mr. Rondeau:**

1. What was the cost of the prefabricated houses which were built at St. Sylvestre, Lotbiniere constituency, for the radar employees?

2. What was the total amount spent for these houses, the cost per unit, and the number of units?

3. Were there any defects found in the waterworks and sewer systems and, if so, what was the cost of re-doing such work?

4. What company was awarded the contract for these prefabricated housing units?

5. What was the cost of transportation of these prefabricated housing units?

6. What company was awarded the transportation contract?

Mr. O'Hurley: 1. $240,469.56.

2. (a) Paid to date, $228,446.09. (b) There were 25 homes and 2 storage units, unit cost including storage units—$9,618.78.

3. (a) Yes. (b) Not yet established.

4. Canadian Car division of Hawker Siddeley Canada Limited, for the supply, transportation, and erection of 25 homes and 2 storage units.

5. Transportation was part of the over-all contract and information as to cost of this item is not available.

6. Transportation was part of the Hawker Siddeley Canada Limited contract.

BAY DE VERDE, NFLD.—USE OF TRAWLS BY FISHERMEN

Question No. 1,213—**Mr. Tucker:**

Has the government received a petition from the fishermen of the Bay de Verde area, Newfoundland, asking that the use of trawls be abolished on the fishing grounds in that area and, if so, what action has been taken?

Mr. MacLean (Queens): Yes, by St. John's office. Petition is now in mail to Ottawa and when received representations it contains will be considered.

*ANNUAL GRANT TO UNITED NATIONS ASSOCIATION

Question No. 1,214—**Mr. Martin (Essex East):**

1. What is the amount of the annual grant made by the Department of External Affairs to the United Nations Association in Canada?

2. Has the total grant for the current fiscal year been paid?

3. If not, how much of it has been paid, and when will the balance be paid?

Mr. Green: 1. $12,000.

2. No.

3. $11,000. The balance will be paid as soon as parliament grants full supply.

UNITED NATIONS INFORMATION CENTRE IN CANADA

Question No. 1,220—**Mr. Turner:**

Is there an information centre office of the United Nations in Canada and, if not, has Canada ever applied to the United Nations to open such an office in Canada?

Mr. Green: There is no information centre office of the United Nations in Canada. The office of the Queen's printer under an understanding reached with the United Nations acts as exclusive agent for the distribution of United Nations publications in Canada. In view of this mutually satisfactory arrangement Canada has not asked the United Nations to open an information centre office in this country.

*HOSPITAL INSURANCE PLAN, B.C.

Question No. 1,223—**Mr. McPhillips:**

1. Has the government of the province of British Columbia sought to take greater advantage of the terms of the federal Hospital Insurance and Diagnostic Services Act in order that B.C. residents temporarily absent from the province for a period of longer than three months may continue to receive hospital benefits under the provincial plan in the event of emergency?

2. Under present arrangements, would a B.C. resident incurring hospital bills outside his home province after more than three months absence be personally responsible for all such bills?

3. What limitations are imposed by other provinces on out of province benefits?

Mrs. Casselman: 1. No. The British Columbia government has at no time sought to take greater advantage of the federal act so as to provide insurance benefits to residents temporarily absent from the province for a period in excess of three months. The hardships imposed on residents of British Columbia through this restriction have been brought to the attention of the British Columbia authorities on a number of occasions.

2. Yes. Unless the British Columbia resident enters the hospital during the first three months of temporary absence, he loses his entitlement and is himself responsible for the payment of hospital services.

3. Although there is a varied pattern of out of province benefits from province to province, all provinces with the exception of British Columbia provide insured services for residents temporarily absent from the province during a period of one year, subject to the payment of the premium or tax in premium provinces.

QUESTIONS PASSED AS ORDERS FOR RETURNS

UNIVERSITY STUDENTS EMPLOYED AS ASSISTANTS, CUSTOMS AND EXCISE

Question No. 1,150—**Mr. Rinfret:**

1. In 1961, how many university students at the bachelor degree level were employed during the summer as assistants in customs and excise offices?

2. How many came from the universities of Laval, Montreal, and Sherbrooke or other centres of learning in the province of Quebec?

HISTORICAL SITES APPROVED

Question No. 1,173—**Mr. Badanai:**

How many projects, designated as historical sites, have been approved by the federal government for development or assistance during the years 1959, 1960, 1961, and 1962, giving the locations and the amount spent or approved for each?

UNEMPLOYMENT INSURANCE FUND

Question No. 1,222—**Mr. Mather:**

1. What was the total amount in the unemployment insurance fund at the end of each of the fiscal years 1956-57 to 1960-61 inclusive?

2. What were the total payments of unemployment insurance claims during each of these fiscal years?

3. What was the total administrative cost of operating the unemployment insurance service for each of these fiscal years?

4. What was the total income of the unemployment insurance fund during each of the fiscal years 1956-57 to 1960-61 inclusive?

PEAT AND SPRUCE BOG, OTTAWA DISTRICT

Question No. 1,224—**Mr. Herridge:**

1. Does the Mer Bleue peat and spruce bog, southeast of Ottawa, come under the jurisdiction of the national capital commission?

2. Is this bog considered a valuable wildlife sanctuary by spokesmen for the Canadian wildlife service and outstanding Canadian biologists, zoologists and naturalists?

3. Are the national capital commission and the city of Ottawa giving consideration to the use of this bog as a garbage disposal area?

4. What action is the government taking to prevent the destruction of this valuable wildlife sanctuary, which will provide a unique area for research and, in addition, recreational facilities?

MOTIONS FOR PAPERS

DUTIES ON IMPORTED FISH FEED

Motion No. 50—**Mr. Douglas:**

That an order of the house do issue for a copy of all correspondence relative to duties imposed on imported fish feed exchanged between the ministers and/or Departments of Finance and National Revenue, and persons and/or organizations since January 1, 1960.

Mr. Nowlan: This is acceptable subject to the usual reservations about communications between departments and confidential letters, consent to whose publication will have to be received.

Mr. Speaker: Subject to the reservations expressed by the minister, does the house agree to the passing of this motion?

Some hon. Members: Agreed.

Motion agreed to.

PENITENTIARIES REPORT BY STEVENSON AND KELLOGG LTD.

Motion No. 57—**Mr. Matheson:**

That an order of the house do issue for a copy of the report of Stevenson and Kellogg Limited relating to the study conducted of Canadian penitentiaries.

Mr. Fleming (Eglinton): No such report has been received. I suggest, therefore, that the hon. member withdraw his motion.

Mr. Speaker: In the light of what has been said by the minister, does the hon. member withdraw his motion?

Mr. Matheson: Yes, Mr. Speaker.

Order discharged and motion withdrawn.

MANITOBA—CORRESPONDENCE RESPECTING PLIGHT OF INDIANS

Motion No. 58—**Mr. Matheson:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence to the government since December 31, 1961 relating to the plight of Indians from The Pas, Moose Lake, Norway House, Cross Lake, Island Lake, Red Sucker Lake, God's Lake, Oxford House, Shamattawa, Split Lake, Nelson House, South Indian Lake, Pukatawagan, and Brocket.

Mr. Bell (Carleton): Mr. Speaker, the generality of this motion would sweep in very many letters dealing with education, treaty rights and other matters with which I am sure the hon. gentleman has no immediate interest. If it is understood, as the hon. gentleman has indicated to me privately, that what he is seeking is correspondence relating to economic and social conditions and economic development generally in the areas designated, I have no objection to the motion, subject to the customary reservation dealing with intradepartmental and interdepartmental correspondence and the consent of the government of Manitoba.

Mr. Speaker: Subject to the reservation indicated by the minister, is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

[Mr. Douglas.]

CORRESPONDENCE RESPECTING RADIO TELECOMMUNICATIONS CONTRACT

Motion No. 59—**Mr. Cowan:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence dated August 15, 1962 to December 1, 1962, between the government of Canada or any minister, department or agency thereof and the Canadian Broadcasting Corporation, the Canadian National Railways, the Canadian Pacific Railway and the Bell Telephone Company of Canada, respecting the contract for telecommunications for the approximately 195 radio stations, the previous ten year contract having been replaced by a new contract effective October 1, 1962.

Mr. Halpenny: Mr. Speaker, if this motion could stand for at least one week we would be agreeable.

Mr. Cowan: Stand.

Motion stands.

DOMINION-PROVINCIAL CORRESPONDENCE RESPECTING PORTABILITY OF PENSIONS

Motion No. 60—**Mr. McNulty:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of any correspondence since September 27, 1962, between the federal government and any provincial government concerning the introduction of legislation dealing with the question of the portability of pensions.

Mr. Monteith: Yes, Mr. Speaker, subject to receiving consent from the province.

Mr. Speaker: Subject to the consent of the province concerned, is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

FINANCE

STEPS TO AVOID FINANCIAL AND EXCHANGE CRISIS

On the orders of the day:

Mr. Walter L. Gordon (Davenport): Mr. Speaker, I should like to address a question to the Minister of Finance. In view of the very large deficit on current account in our international payments for the first nine months of this year, now running at the rate of about $1 billion for the full year, does the government propose to take any immediate action to avoid another financial and exchange crisis in Canada?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, the government has taken several steps in this direction. My hon. friend was good enough to send me a note a moment ago, or I only received it a moment ago, but the same statement to which he refers states that we have achieved an export

surplus in commodities last month for the first time in many months, and the over-all deficit in international payments is substantially lower. Also, the financial papers are full of statements showing how much better our position is, and what this government has done to accomplish this.

Mr. Gordon: Mr. Speaker, if I might ask a supplementary question, am I to interpret the answer of the minister as meaning "No"?

(Translation):

TREASURY BOARD—INQUIRY AS TO PRESENCE OF QUEBEC MINISTER

On the orders of the day:

Mr. Gerard Legare (Rimouski): Mr. Speaker, my question is directed to the Prime Minister. In view of the fact that the treasury board deals with all finance matters and even looks after staff transfers in the public service, could the Prime Minister tell the house why no Quebec minister sits on that said treasury board, and that ever since he has been at the head of the government?

(Text):

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I have been sitting on treasury board for the last three weeks and there has been a French minister on the board all that time.

EXTERNAL AFFAIRS

INTERNATIONAL CO-OPERATION YEAR—REQUEST FOR STATEMENT ON DEVELOPMENTS

On the orders of the day:

Mr. Gerard Chapdelaine (Sherbrooke): Could the minister inform the house of any developments concerning the international co-operation year that has been proposed by India at the United Nations?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member for Sherbrooke for giving me notice of his question. I know of the great interest he has taken in United Nations affairs, having served with distinction a few weeks ago as a Canadian observer.

The house will be interested to know that the general assembly of the United Nations in plenary session this morning unanimously adopted by a vote of 86 in favour, none against and with no abstentions, a resolution co-sponsored by India, Canada and 18 other member states in pursuance of a proposal first advanced at the United Nations by Prime Minister Nehru for a year of international co-operation. The Canadian delegation played an active part in the drafting and sponsoring of this resolution, and extended its full co-operation to the delegation of India in seeking to muster the broadest possible support for it. As a matter of fact, by arrangement between the co-sponsors only Canada and India spoke to the resolution this morning.

The resolution requests the president of the general assembly to nominate a preparatory committee of up to 12 member states to consider the desirability of designating 1965, which is the 20th year of the United Nations, as international co-operation year. It is expected that the preparatory committee will be formed early in the new year to begin co-ordinating plans and projects. It is considered that the designation of a year of international co-operation would serve a most useful purpose in stimulating a marked increase in the existing level of international co-operation and in a number of projects in diverse fields jointly undertaken on an international basis.

Canada firmly subscribes to these aims, and it is therefore a cause of deep satisfaction that the proposal of the government of India to which this government has lent its full support has now been unanimously adopted by the general assembly of the United Nations.

PORTUGAL—REQUEST FOR STATEMENT OF CANADIAN POSITION ON RESOLUTION

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs, notice of which has been given. In view of the minister's statement yesterday that Canada has been against the action taken by Portugal in Angola, is it correct that Canada voted against a United Nations resolution on this subject yesterday and, if so, would the minister outline the reasons for such vote by the Canadian delegation?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, as I said yesterday, Canada has been and is against the actions taken by Portugal in Angola. However, this resolution was a very extreme one. It contained a provision calling on the security council to impose sanctions on Portugal. It also had an operative clause which threatened Portugal with expulsion from the United Nations, and it had another clause which would prohibit any country from supplying any arms to Portugal for its own defence, even as distinct from any arms that might have been used in Angola.

As I have explained, Canada has not been supplying arms to Portugal for approximately two years. Because of the extreme nature of the resolution, particularly with regard to sanctions and the threatened expulsion from the United Nations, Canada voted against the resolution.

Inquiries of the Ministry

Hon. Paul Martin (Essex East): May I ask a supplementary question of the Secretary of State for External Affairs. Can he say if the government is now in a position to indicate whether it proposes to support sanctions against Katanga by the United Nations?

Mr. Green: Mr. Speaker, at the moment there is no question of sanctions against Katanga, and we will have to see what happens if action of that kind is proposed. As a matter of fact Katanga, as the hon. member knows, is a province or district of the Congo, which makes it an entirely different situation.

[*Later:*]

Mr. Robert W. Prittie (Burnaby-Richmond): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs supplementary to the question asked by the hon. member for York South. In view of the fact that the minister stated that the resolution on Portugal was too broad for the Canadian delegation to support, did the Canadian delegation give consideration to any other type of resolution on this subject which they could support, thus showing some condemnation of Portugal?

Mr. Green: Mr. Speaker, Canada's position with regard to the conduct of Portugal in Angola is very clearly known at the United Nations. We have been against it throughout.

HUNGARY—RESOLUTION RESPECTING SPECIAL REPRESENTATIVE

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Secretary of State for External Affairs what stand the Canadian delegation will take at the United Nations regarding the United States resolution to abolish the post of United Nations special representative to Hungary.

Hon. Howard C. Green (Secretary of State for External Affairs): That vote is coming up this afternoon, I think, and Canada will be supporting the United States resolution.

Mr. Haidasz: Mr. Speaker, I should like to ask a supplementary question. Does the minister not think that voting for this resolution will abandon the Hungarian people to further communist domination of their country?

Mr. Green: No, Mr. Speaker, I do not think any such thing. Jurisdiction to carry on will rest with the secretary general.

[Mr. Green.]

HEALTH AND WELFARE

TRIFLUOPERAZINE—POSSIBLE CONNECTION WITH CONGENITAL DEFORMITIES

On the orders of the day:

Mr. J. E. Walker (York Centre): Mr. Speaker, I have a question for the Minister of National Health and Welfare. As reported in the press, has the drug directorate asked other countries whether they have any evidence connecting trifluoperazine with congenital deformities?

Hon. J. W. Monteith (Minister of National Health and Welfare): Yes, Mr. Speaker, we have been in touch with other countries trying to get firm information as to their experience in this respect.

Mr. Walker: A supplementary question. Is this urgent information sought by letter or by telephone?

Mr. Monteith: Most of it by cable, Mr. Speaker.

REQUEST FOR INVESTIGATION INTO RADIOACTIVE FALL-OUT EFFECT IN NORTHERN CANADA

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): I should like to ask a question of the Minister of National Health and Welfare. Is the minister aware of the resolution sent to his department by the technical committee for caribou preservation requesting a federal investigation into radioactive fall-out effects on humans and animals in northern Canada, where Alaskan Eskimos were found to have a level of strontium 90 four times higher than in average citizens south of the border?

Mr. Speaker: Order. I think the hon. member will recognize that his question is one for the order paper.

POWER

COLUMBIA RIVER—MEETING TO DISCUSS DOWNSTREAM BENEFITS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to ask the Prime Minister a question of which I have not given him notice. Have any arrangements been made for representatives of the federal government, the government of British Columbia and the government of the United States to meet at Bonneville in the near future to discuss the cost price or sale price of downstream benefits from the Columbia?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, there is a meeting going on at the present time in Vancouver on the expert level.

(Translation):

TRANSPORT

REPORTED REFUSAL OF LOANS ON ST. LAWRENCE COASTING VESSELS

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): May I ask the Minister of Transport a question? Is it possible that loans up to $100,000 were refused to owners of coasters on the St. Lawrence river merely because those vessels were not registered in Canada?

Mr. Speaker: The hon. member should put his question on the order paper.

(Text):

INQUIRY FOR RETURN

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. My question relates to an order for the return of papers concerning the drug thalidomide, which was passed by the house on Wednesday, October 17, which is more than two months ago. A month ago today, on November 19, I asked if this return would soon be brought down, and the minister said the return was ready and he hoped to bring it down in a few days. Can he say when it will be brought down?

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I believe I was awaiting permission from another government before tabling the return. I will look into the matter immediately and let the hon. member know.

HOUSE OF COMMONS

ST. JOHN'S WEST, NEWFOUNDLAND—INQUIRY AS TO BY-ELECTION

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the Prime Minister whether the government has yet reached the conclusion that the people of Newfoundland should be given an opportunity to have the representation to which they are legally entitled in this house.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I can understand the complete interest of the hon. gentleman in this matter, he not being a resident of that province, but I can only say that when a decision is made in that regard action will be taken.

Mr. Caron: The usual Diefenbaker tactics.

Mr. Diefenbaker: If he looks back a few years he will find out how long the government of which he was a member used to wait.

Inquiries of the Ministry

Mr. Pickersgill: I rise on a point of order, Mr. Speaker. I asked the hon. gentleman, the right hon. gentleman, a perfectly proper question, and he has chosen in reply to make a rather cheap political speech. I suggest to Your Honour that he should be called to order.

Mr. Speaker: Order. There are occasions when some of the answers do slip across the bar, and I hope the hon. gentleman will recognize that fact. The same remarks apply to some questions.

Mr. Pickersgill: I rise on a question of privilege.

Mr. Speaker: I have indicated my views on the matter.

Mr. Pickersgill: I am rising on a question of privilege concerning the right of the people of this country to be represented in this house. I suggest that the general election will not have been completed until an election is held in St. John's West, and this delay is inexcusable.

Mr. Speaker: Order. I do not believe this is a question of the privileges of the members of this house.

(Translation):

ADMINISTRATION OF JUSTICE

REQUEST THAT BANKS IMPROVE PROTECTION AGAINST HOLD-UPS

On the orders of the day:

Mr. L. P. Antoine Belanger (Charlevoix): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the recent happening that claimed the lives of two policemen and in which two other persons were injured, in Ville St. Laurent, a suburb of Montreal, has the government given any thought, under the Bank Act, to the possibility of forcing the banks to secure better protection against hold-ups?

Mr. Speaker: I am sure the hon. member is aware that his question is out of order at this time.

(Text):

ADMINISTRATION OF JUSTICE

RALPH COCHRANE—REQUEST FOR RELEASE FROM SOLITARY CONFINEMENT

On the orders of the day:

Mr. Andrew Brewin (Greenwood): I should like to address a question, if I may, to the Minister of Justice. Will the minister tell the house whether Ralph Cochrane is to remain in solitary confinement in the light of the circumstances revealed by the hon. member for Vancouver East in this house last night?

Inquiries of the Ministry

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I was not in the house last evening to hear what was said by the hon. member for Vancouver East. I will examine what he has said. I have already furnished certain information concerning this case to the hon. member for Vancouver East. I thought I gave him rather full information on the subject, which indicated that the inmate in question has had the benefit of all privileges that are available to well-behaved inmates generally except that he has not been permitted to mingle with the other inmates. He has received full meals, library and canteen privileges, radio reception and exercise periods. No restrictions have been imposed in relation to visits or correspondence. He has been free, if he wished, to interview a lawyer.

Mr. Brewin: May I ask a supplementary question. Does the minister not believe it is part of his duty as Minister of Justice to see that the bill of rights is enforced?

Mr. Speaker: Order. The hon. member is just advancing an argument.

SHIPPING

COASTAL TRADE—TRANSFER OF COMMONWEALTH SHIPS TO CANADIAN REGISTRY

On the orders of the day:

Mr. P. V. Noble (Grey North): I have a question for the Minister of Transport. Some time ago the government announced that it proposed to amend the Canada Shipping Act to limit the Canadian coasting trade in the great lakes and St. Lawrence river areas to vessels of Canadian registry. Is it intended that ships of commonwealth registry principally engaged in this trade will be allowed to transfer to Canadian registry?

Hon. Leon Balcer (Minister of Transport): It is the intention that ships of commonwealth registry which were engaged solely or principally in the Canadian coasting trade in the proposed limited area before the government announced its intention a year and a half ago will be permitted to transfer to Canadian registry.

However, I see no reason why ships which were not eligible for Canadian registry, and which have deliberately been brought under commonwealth registry since the date of the government announcement for the purpose of engaging in the great lakes or St. Lawrence coasting trade, should be allowed to come under Canadian registry. Ample warning was given by the government of its plans and I do not see that any case exists for ships in this latter category to be allowed on Canadian registry.

[Mr. Brewin.]

Mr. Speaker: Order. With respect I would earnestly point out that arguments should not be advanced within the body of a reply, any more than they should be within the body of a question.

TRADE

INQUIRY AS TO AMOUNT OF CURRENT DEFICIT

On the orders of the day:

Mr. Harry Bradley (Northumberland): I should like to ask the Minister of Trade and Commerce if it is true that Canada's current trade deficit stands at $791 million.

Mr. Speaker: Order. No; that cannot go as a question.

[*Later:*]

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, on a question of privilege I would like to correct a completely misleading headline appearing in the front page of today's *Globe and Mail* which would mislead the business community.

Hon. J. W. Pickersgill (Bonavista-Twillingate): On a point of order, Mr. Speaker—

Some hon. Members: Oh, oh.

Mr. Pickersgill: I am raising a point of order with respect to the question of privilege. My point of order is this, that it is a matter of privilege to make a correction about any of the proceedings in this house that may have been reported in the press, but articles in the press about activities of the government may not be corrected under the guise of a question of privilege.

Mr. Speaker: Order. The extent of the minister's words in this regard were hardly heard by the Chair, but I would point out that it has been the practice, over some years, to rise in many cases to take issue with some report in the press, and I think we have got into rather bad habits so far as privilege is concerned.

Unless there is a statement by the minister that has been misinterpreted I do not know that he can rise on a question of privilege in this regard. If it arose out of a report he had made and which had been misreported, then he could rise on a question of privilege, but other than that I do not think it is possible for the minister to rise to refute or to argue with some newspaper conclusion.

Mr. Hees: Mr. Speaker, it is a misinterpreted, and badly misinterpreted, report of a bureau that comes under my jurisdiction, the dominion bureau of statistics.

Mr. Martin (Essex East): On a point of order—

Mr. Hees: Oh, nonsense.

Mr. Starr: Liberal closure as usual.

Mr. Speaker: Order. The point of privilege overrides a point of order. I would like to hear just a little more of what the minister is trying to get at.

Some hon. Members: Oh, oh.

Mr. Speaker: The Chair has control of the situation without too much extraneous comment. As I indicated to the minister, if there has been a misinterpretation of statistics or something like that, I think there is not a question of privilege at this time. As I indicated, privilege is limited to a distortion of something the minister may have said, and does not cover a publication which may come out under the jurisdiction of his department.

Mr. Hees: The headline, the erroneous headline, reads "Trade deficit $791 million for Canada." That is completely inaccurate because the trade deficit is not that at all. I would not like to say what—

Mr. Speaker: Order. I think we have heard enough on this one. This is not a question of privilege.

Hon. Paul Martin (Essex East): Mr. Speaker, I think that we have not heard enough, and I say this with great respect. I rose on a point of order. Your Honour correctly said that a question of privilege took precedence over a point of order. But the minister, notwithstanding the caution Your Honour gave, violated this direction, and what he could not do through the question put earlier by the hon. member for Northumberland (Mr. Bradley) he has now done. I suggest to Your Honour that the minister deserves censure at your hands for this obvious violation of your ruling.

Mr. Speaker: Order. I think the minister's statement was stopped in time, and I think the hon. member knows, so far as censure of hon. members by the Chair is concerned, how far one can go with regard to that.

Mr. Walter L. Gordon (Davenport): I would like to ask a question of the Minister of Trade and Commerce.

Mr. Fulton: What is the right figure?

Mr. Gordon: Is our current account deficit in our international payments running at the rate of $1 billion a year?

Mr. Hees: I am very glad to give that answer, and I thank the hon. member for taking the place today of the hon. member for Bonavista-Twillingate as the No. 1. I want to say—

Mr. Pickersgill: On a question of privilege, Mr. Speaker. My question of privilege is this, that a malicious attack has been made—

Some hon. Members: Oh, oh.

Mr. Pickersgill: —upon my conduct as a member of the house, and I think that the minister should be asked to apologize.

Mr. Speaker: Well, with respect to the attitude at the moment I do not know that the feelings of anyone in particular have been overly hurt. I would caution the minister to give a reply in keeping with standing order 39, and I hope hon. members will ask questions in the same light, so that we will observe standing order 39.

Mr. Hees: My reference to the hon. member for Bonavista-Twillingate, which I will withdraw and for which I apologize, was that the hon. member for Davenport had taken his place as the No. 1, and that is all I said. Of course he obviously is not the No. 1; therefore I apologize.

Mr. Pickersgill: Mr. Speaker—

Mr. Hees: Oh, you are the No. 1?

Mr. Pickersgill: I have a question of privilege. It is equally obvious that the hon. gentleman is not the No. 1.

Some hon. Members: Hear, hear.

Mr. Speaker: Order. I would also like to caution hon. members who wish to engage in repartee not to take the floor under the guise of a question of privilege.

Mr. Hees: Now, Mr. Speaker, I will be glad to answer the question of the hon. member for Davenport. Statistical information on Canada's international balance of payments released today by the dominion bureau of statistics shows an international payments deficit of $791 million on all current transactions for the first nine months of 1962. This deficit includes non-merchandise transactions such as interest and dividend payments and freight and shipping, as well as commodity trade. In October of this year a merchandise trade surplus of $47 million was realized, compared with a surplus of $5 million last October. The indication from available statistics—

Some hon. Members: Order.

Mr. Hees: —is that Canada's merchandise trade will be in a surplus position for the full year 1962. The realization—

Some hon. Members: Order.

Inquiries of the Ministry

Mr. Speaker: Order. I would crave the co-operation of the house in observing the rules.

Mr. McIlraith: On a point of order—

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I have a supplementary question for the Minister of Transport—

Mr. Speaker: Order.

(Text):

Are we on supplementary questions or points of order?

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

Mr. Speaker: I will recognize a point of order.

Mr. G. J. McIlraith (Ottawa West): The point of order is this. The question put was factual, accurate as to form and in accordance with the rules. The answer, after dealing with the question asked and giving the information in accordance with the rules, did provide rather lengthy, gratuitous references. Those gratuitous references were clearly out of order, as will be seen from page 153 of the fourth edition of Beauchesne, and should have been ruled out of order.

Mr. Speaker: Order. I think we have had a sufficient exchange in this regard.

(Translation):

[*Later:*]

Mr. Gregoire: Mr. Speaker, I should like to put a supplementary question to the Minister of Trade and Commerce.

Am I to understand from the answer the minister just gave us, that the deficit incurred during the first nine months is due mostly to the interest paid to foreign countries on account of the policy followed by the Liberals for 22 years?

Mr. Speaker: Order. The question is argumentative and controversial. Therefore, I rule it out of order.

(Text):

[*Later:*]

Mr. Gordon: Mr. Speaker, the Minister of Trade and Commerce has just given an answer which is not in fact correct.

Some hon. Members: Order.

Mr. Hees: I object to that, Mr. Speaker.

Mr. Speaker: Order. I do not know whether I should call "seconds out" here, but the hon. member knows that he cannot comment on a reply.

An hon. Member: He doesn't know anything.

Mr. Speaker: Order. I hope we will now get on with the business of the house.

[Mr. Hees.]

(Translation):

[*Later:*]

On the orders of the day:

Mr. Gregoire: Mr. Speaker, I should like to put my question once more. Could the Minister of Trade and Commerce tell us if this year's deficit is chiefly due to interest payments on foreign investments?

(Text):

Mr. Hees: Mr. Speaker, the figure is $791 million today, compared with the 1956 deficit of $1,366 million.

Some hon. Members: Oh, oh.

Mr. Pearson: That was for the whole year.

Mr. Pickersgill: Nine months?

Mr. Speaker: Order.

TRANS-CANADA AIR LINES

MEETING ON TRANSFER OF MAINTENANCE STAFF FROM WINNIPEG TO MONTREAL

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Veterans Affairs. Has the minister received from Mayor Stephen Juba of Winnipeg an invitation to attend a meeting of Winnipeg members of parliament during the Christmas recess to discuss the question of the transfer of T.C.A. maintenance and overhaul staff from Winnipeg to Montreal? If the rest of us endeavour to be there, will the minister be there and represent the government of Canada as well as the constituency of Winnipeg South Centre?

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, the problem is an important one not only for Winnipeg but for Manitoba. Prior consultations would have been acceptable on the part of Mayor Juba, but we have done a great deal of work on this problem already and well in advance of the activities of Mayor Juba himself.

[*Later:*]

Mr. Roger J. Teillet (St. Boniface): Mr. Speaker, following the question addressed a moment ago to the Minister of Veterans Affairs—this is the question of the telegram referred to a moment ago—I would hope that the minister—

Some hon. Members: Order.

Mr. Teillet: I ask now whether he will give the house and the people of Manitoba some practical answer and not the kind of thing he gave us a minute ago.

Mr. Speaker: Order. The hon. member is not in a position to comment on the nature of a reply given to any other question.

UNEMPLOYMENT INSURANCE

TRANSLATION OF REPORT OF GILL COMMITTEE

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Minister of Labour, in view of the fact we are likely to adjourn tomorrow night, if he can now give the house assurance that he has been reading the English version of the Gill report, and can he now give the house any information as to whether he has received, or when he may receive, the French translation of this very important report?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, I cannot give the assurance as to the first part of the question, because the hon. member has been intimating that I have been reading this report, probably under my desk. As to the other part of the question, when the report is received it will be not only in the French version but in both the English and French versions.

Mr. Martin (Essex East): I wish to ask a supplementary question of the Secretary of State. Can he inform the house whether the French translation of the Gill report is yet in his hands and, if not, can he tell us what recent information he has been able to obtain regarding the production of the translation which he announced some two months ago?

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, about two weeks ago I made inquiries, as I promised I would, and at that time two thirds of the French galleys were being proof read. They should be back in Hull by this time, but I am not sure. I shall inquire.

CANADIAN BROADCASTING CORPORATION

COMPLAINTS RESPECTING PROGRAM "FRONT PAGE CHALLENGE"

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Secretary of State. I am so annoyed that I can hardly speak, but I will do my best. Has the minister received any complaints from prominent citizens of Kootenay West with respect to statements made on "Front Page Challenge" on December 11 by Mr. Gordon Sinclair, which were offensive to the people I have the honour to represent?

Hon. G. E. Halpenny (Secretary of State): No, Mr. Speaker.

Mr. Herridge: I have a supplementary question. If the minister does receive complaints will he ask that they be investigated and secure a report?

Inquiries of the Ministry

Mr. Halpenny: I shall be glad to, Mr. Speaker. I shall get a copy of the tape or a copy of the script and look at it.

IMMIGRATION

APPARENT PREFERENCE OF BRITISH EMIGRANTS FOR AUSTRALIA

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I would like to ask the Minister of Citizenship and Immigration whether he has any explanation of the reasons so many more British emigrants are now going to Australia than to Canada.

Hon. Richard A. Bell (Minister of Citizenship and Immigration): Mr. Speaker, I will be able, during discussion on my estimates, to give very good reasons why we expect to have many more British immigrants coming to this country in the future.

Mr. Pickersgill: May I ask a supplementary question. Has the hon. gentleman read the account in yesterday's *Globe and Mail*, which no doubt is one of his favorite newspapers, and could the minister say whether any steps have been taken to counteract that situation?

Mr. Bell (Carleton): Mr. Speaker, obviously this is a matter in which I would get into debate with the hon. gentleman. I shall be very glad to have a full debate with him at the proper time.

Mr. Pickersgill: 1964?

Mr. Speaker: Order.

(Translation):

POST OFFICE DEPARTMENT

ST. BONIFACE, MAN.—REPRESENTATIONS RESPECTING POST OFFICE NAMES

On the orders of the day:

Mr. R. J. Teillet (St. Boniface): Mr. Speaker, I should like to direct a question to the Postmaster General.

Could the minister tell the house if she received a resolution from the city of St. Boniface or what was the answer of the department to the representations made about the names of the post offices in that city, and if she has anything to say on that?

(Text):

Hon. Ellen L. Fairclough (Postmaster General): Mr. Speaker, I do not know about a resolution offhand, but there have been several letters and the matter is under consideration.

Interim Supply

PUBLIC SERVICE

RECOMMENDATIONS FOR SALARY INCREASES NOT ACTED UPON

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance in which I seek information that I am sure he must have. Are there any categories of civil servants for whom pay increases were recommended by the civil service commission who did not get pay increases a week ago Monday?

Hon. George C. Nowlan (Minister of Finance): I have not that information at the moment, Mr. Speaker.

Mr. Knowles: Mr. Speaker, is it not going to be possible to get this question answered before the house adjourns?

Mr. Speaker: Order.

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

Mr. Roxburgh: Mr. Chairman, last evening when talking on the physical fitness program I pointed out that politics had entered into this program. It is very, very difficult to understand why the governor in council was given the power to select the members of the national fitness board. My reason for raising this matter is that I feel it has put the ministers in a very, very ticklish position; I do not care who the minister is. Also there is no doubt that these men have been put in a ticklish position. When I was at the Canadian sports council I was talking with Dr. Willard, the deputy minister of welfare and I made a suggestion on behalf of the Canadian Amateur Hockey Association. He had received this suggestion from other associations and individual sportsmen. The suggestion was that the national athletic associations would send to the government one or two names of men of known executive ability from those associations, and then the government could make a selection from those names.

There is a definite feeling, no matter what is said on this question, that when a minister has to make a decision it is going to be controversial. But if they had accepted these names of men of outstanding executive ability in the field of sports, nobody could have said that politics was being played in any way, shape or form. I go further than that. I think one of the most flagrant episodes in this connection is this, and I am sorry the minister is not here because it was reported in this house. I refer to the time when the Minister of Public Works, the former minister of justice, toured western Canada. When he was there he gave a partial assurance to the Trail Smoke Eaters hockey club that he would assist them by means of a grant. Mr. Chairman, there is a definite procedure in national sports associations whereby any group, individual or team can make representations through their sports association, which submits it to the national sports fitness group.

That is the only way to do it. There is no doubt we are all put on the spot and it will become a regular schemozzle if every member in this house or the ministers in this house were going after the national sports council and asking them to do something for their constituencies. We certainly do not want that on either side of the house, I am sure. I hope we will have intestinal fortitude enough that when our constituents and people representing teams come to us we shall be able to say: "Look, this has nothing to do with politics. Go to the right source." This is a national project which is absolutely necessary in this country. I know both sides are working in sincerity in order to put this over in a big way, because we need this program.

I should like to make a comment with regard to the structural part. Some of the grants which have been given out to teams

and organizations have been justified, but a great many have not been justified and could not in any circumstances come under a physical fitness program. I do not want to give a long list, but just think of the Canadian rugby team which went over and toured England, Scotland and Ireland. They were given a donation of some $10,000 and I should like to ask the minister: what did that $10,000 do toward improving national fitness in Canada? I know he will say that such a tour makes for good relations and that they have done a good job. I agree 100 per cent, but that is not the job of a national fitness program.

A national fitness program starts with the kids. We can look to Europe and see that this is true. One thing we lack is facilities. Facilities are the main part of any national program. When I was in Ottawa at a meeting of the Canadian Sports Advisory Council some time ago I suggested to them that before they went into this matter of physical fitness they should send a delegation to the countries in Europe which have successful programs. They said they had looked into this and had a satisfactory answer to it. All I will say is this: at that time they definitely had no program. When we think of facilities we think of indoor facilities and outdoor facilities. When we think of indoor facilities we think of rinks and swimming pools. When we think of swimming pools we think of little Mary Stewart in Vancouver, a girl who has made a real contribution and put Canada's name at the top of the list. Do you know how little Mary Stewart had to practice? She practised in pools that were not long enough. Any swimmer knows that when they make the turns they take their breath and after these short swimming pools she was unable to adjust herself when she got into the longer pool of Olympic standards. As far as I know there are something like three pools built to Olympic standard in Canada. I am not sure if there are any indoors for use during the winter. If we are to have outstanding athletes they must have a program for the full season.

Whether we like it or not, during peacetime our country is judged by the prestige of our athletes. I think of little Czechoslovakia, a country of twelve and a half million people where they have had a physical fitness program going for some hundred years. I think we might well go over there to give some study to this program, a program so successful that they have walked away with the gold medals, the silver medals and the bronze medals in Olympic competition. And where has Canada been? I know that many hon. members are thinking I am talking about countries behind the iron curtain. Last night I mentioned Russia. I should like to mention West Germany. West Germany is a democratic country like our own. West Germany was ravished during the war. When I was over there two years ago, do hon. members know what they had on their program for facilities. They had what they call their golden plan, their 15-year plan. Do hon. members know what that 15-year plan means? It means $1,500 million toward facilities. Yet this government gave $5 million and then took away $4 million—this in a country which the Minister of Finance tells us is a country of prosperity. Then they squelch out $4 million toward a physical fitness program. I have asked a number of questions, some starred questions and others just questions, which have been answered. This is one of the questions which was asked. I asked: if this was a nation-wide organization, what about the province of Quebec? Where did they come into the picture? So far as I have noticed, the province of Quebec does not belong to the national organization. We should like to know more about the reasons for that.

Talking about facilities, we asked the question what amount of money was spent on the facilities? The answer came: the winter works program. Thank goodness for the winter works program. I want to commend the winter works program for the part it is playing. Those responsible for it are doing a grand job but because of the circumstances they can only do so much. How does that program work? It works through the local municipalities who have the get up and go. The ones who have that are the ones who get the rinks, sports fields or whatever they may be. But what about those sections which are afraid or unable to put up that extra money? The kids in those sections probably need the facilities a great deal more than the kids in the sections where people are up and doing. Is the program doing anything for them? We need every cent of those $5 million to start this off.

Just as important as facilities is coaching. The Canadian hockey association under Mr. Gordon Jukes as secretary manager got in touch with the universities of Canada to try to form a summer school for coaching college courses. He really received co-operation. It was brought up before the council, and I am pleased to see that the council is backing it. I sincerely hope that when it passes the final word along the government will go along with it.

It is the lack of facilities and coaching which causes us to lose our youth of today to our neighbour across the line. Mr. Chairman, last year it was my privilege to be in Colorado Springs with our hockey club. There I met a lot of former young Canadians who

were graduates from the universities of the United States. They had to go there because there were no facilities here in Canada. They did not have any coaching at all in Canada, and because they had ability in running, or in swimming, or in playing hockey, the universities of the United States took them and have kept them.

An hon. Member: And they can keep them too.

Mr. Ricard: What did your government do for them?

Mr. Roxburgh: Never mind that. It is not what has been done; it is what is to be done right now.

Some hon. Members: Oh, oh.

The Deputy Chairman: Order. I think it is a rule of this committee that only one member can have the floor at one time, and at the present time the hon. member for Norfolk has the floor.

Mr. Cadieu (Meadow Lake): Would the hon. member permit a question?

Mr. Roxburgh: There is another angle to this physical fitness question which perhaps many of us do not realize. The physical fitness program can serve a double purpose. It can go far beyond the question of fitness.

Mr. Cadieu (Meadow Lake): Would the hon. member permit a question?

Mr. Roxburgh: If my hon. friend over there would listen, I think he would agree with me. We have records showing that in every community where there have been no minor sports organizations, and where minor sport organizations were organized; with every increase in registration in these minor sports organizations less delinquency has resulted. I do not know whether hon. members realize the alarming increase in our penitentiaries population. Dominion-wise, in 1957 it was 5,400; in 1962 it was 7,200. The federal government is building five new prisons costing $4 million each. What disturbs me, and it should disturb every member of this committee, is that three of these penitentiaries are for the youth of Canada. It costs us $21 million, and the province of Ontario alone $16 million. We cannot afford not to organize youth. Each department of government looks after its own dollars and cents, and has possibly overlooked the true value to our nation of a properly run physical fitness program. When you add to this the development of moral fibre through sports activities, the returns our young men and women will get from it in the future cannot be assessed in dollars and cents. It goes far beyond that.

[Mr. Roxburgh.]

Very few people outside of entertainment really realize what sports mean. In closing I should like to illustrate the very great importance of sport, what it means to this country and to the countries of the world. As we know, sport is one of the main by-products of any fitness program. I could give many illustrations of this but it would take too long. The greatest medium of all for breaking down barriers is sport. It is the common denominator of all creeds and religions. It does not make any difference whether we are Jews, Catholics or Protestants. It does not make any difference whether we are black, white or yellow. When young men and women go on to the sports field within their communities within our country, and also in international competition, they are as one.

I should like to leave this thought with the committee, and especially with our enlightening friend across the way. I should like, not on behalf of the Liberal opposition party or other opposition members on behalf of any members with common sense on that side of the house to ask the Prime Minister and his executive to think twice about taking away this sum of $5 million. Because the youth of Canada—and I am speaking for the youth of Canada—are the most important members of the Canadian family; I hope everyone will agree with that. We should give more serious consideration to retaining this sum of $5 million so that the national fitness program will go, not only a long way towards the program itself but also will go a long way towards strengthening the moral fibre of our nation.

Mr. Monteith: Mr. Chairman, the hon. member asked a question and I wonder whether I might have the chance to reply?

Mr. Cadieu (Meadow Lake): Would the hon. gentleman permit a question?

Mr. Monteith: I should like to point out that he suggested that $5 million be not taken away from this program. I should like to assure the hon. member that the $5 million is in the estimates for this program, as in the statute. We do not anticipate that it will be possible to spend this amount of money this year. We did not spend it last year. The program was just under way and had to be developed in conjunction with the provinces. As yet, as has been pointed out, there is no agreement with the province of Quebec. As these agreements are developed money will be available for the provinces.

I should also like to point out, Mr. Chairman, in answer to the hon. member's suggestion that certain teams should not be assisted, that the minister has acted only on the recommendation of the sports advisory

council. It is this council which was set up. I should like to ask him this question. Does he think that the governor in council was playing politics when Mr. James Worrall was appointed to this council?

Mr. Roxburgh: Mr. Chairman, may I answer the first question first. You will remember that at the beginning of my remarks I said that the Prime Minister had made a statement at the opening of the hockey hall of fame about a $5 million grant. I also pointed out that only under the present government would such a thing happen. Because when any businessman, small or big, goes to borrow money, he takes a plan with him. The only reason why this money is not being spent, and the only reason why it cannot be spent, is because the government has no plan for spending the money. We can certainly show the government where to spend this money, and spend it in a big way.

As far as Mr. Worrall is concerned, I agree with the minister. I will not answer any questions except to say that you put your ministers in one dickens of a spot. But I do know this, that if you had had a program you would be able to spend your $5 million. Germany has spent $1.5 billion on facilities alone. Has the government an answer to that?

Mr. Ricard: What did you ever do?

Mr. Winkler: Ask your leader what his program was.

Mr. Ricard: You were sleeping for 22 years.

The Deputy Chairman: Order.

Mr. Hellyer: The German treasury is not empty.

Mr. Cadieu (Meadow Lake): Mr. Chairman—

The Deputy Chairman: Order. I am sorry, but if the hon. member does not receive the unanimous consent of the committee he cannot ask his question because the time of the hon. member is limited. Is it agreed?

Some hon. Members: Yes.

Some hon. Members: No.

The Deputy Chairman: The hon. member for York South.

Mr. Roxburgh: He would not understand it anyway.

(Translation):

Mr. Lewis: Mr. Chairman, I readily endorse the remarks made yesterday by my leader, the hon. member for Burnaby-Coquitlam (Mr. Douglas), and those made by all hon. members who took part in this debate on national unity. As a matter of fact, I should like to repeat what I said in this house a few weeks ago:

> As everybody knows, Canada was founded to a great extent by two distinct nations, and our country will come to its fullest expression only if the equality of the French and English languages and cultures is recognized in fact as well as in law throughout the country.

Mr. Chairman, the leader of the New Democratic party did not hesitate to point out that fact and to remind the house of the recommendation he made last February when he advocated the establishment of a royal commission to look into this fundamental question. It gives us very great satisfaction to note that all parties represented in this house agree on the necessity of putting an end to the uneasiness affecting national unity and of casting aside demagogic and unpatriotic politics which threaten Canada's future.

Mr. Chairman, like all Canadian citizens, I hope that the spirit pervading this debate will survive the next election campaign. With all sincere Canadians, I hope that nobody will attempt to take political advantage of the present situation, but instead that all will strive to advocate firm unity throughout Canada.

Mr. Chairman, I urge the Prime Minister to introduce without delay the legislation tending to set up that royal commission which all those who took part in this debate seem to be asking for.

In my opinion, Mr. Chairman, this is the most suitable time to act along these lines. We must not wait until tension increases to the breaking point. We must not wait any more to make the historic move which will enable Canada, I am sure, to strengthen its ties so as to present to the whole world, when the confederation centennial will be celebrated in 1967, the best possible example of unity and understanding between two equal races, which are partners in the development and progress of one of the richest and most beautiful countries in the world.

I repeat that the time to act has come. At a time when all parties agree on that matter, it is up to the Prime Minister to make now the historic move that is requested by everybody.

(Text):

I should like, before going on to the major subject of my remarks, to say a few words in English on the subject, and deliberately in English, with respect to a gentleman in Hamilton and with respect to an organization recently set up in the province of Quebec. I refer to a man of the cloth in the city of Hamilton who had the bad grace and the lack

of understanding of Canada to raise objections, expressed in violent language, against the teaching of French in the schools of the province of Ontario, and I say: Shame to him and to others like him in English speaking Canada.

I also draw the attention of the house to the few noisy separatists in the province of Quebec who have recently formed what they call a political organization for the purpose of tearing Quebec away from Canada and establishing what they call the republic of Quebec. It is these two extremes in our country, fortunately representing relatively few people in both sections of Canada, who cause so much trouble. It is against those people and their influence that a royal commission of inquiry could once and for all establish the kind of harmony to which everyone who has spoken in this chamber looks forward for our country.

I turn from this to a related world problem. I turn from the conception which has been underlined by the Leader of the Opposition in noble and appropriate words and underlined by my leader in equally appropriate words, the proposition of the equality of the two major nations in Canada—and all other groups as I am sure the Leader of the Opposition and my leader would agree—to the astounding attitude of our government. I refer to its policy with respect to the treatment which is now meted out on the continent of Africa by the government of the Union of South Africa, and by the government and forces of Portugal, to the African people under their rule and under their control.

I remind the house of the fact that, in answer to questions, the Prime Minister some days ago stated with respect to South Africa that this country was not going to honour a request by the United Nations resolution for an economic boycott of South Africa because, said he, we do some $40 million or $50 million worth of trade with South Africa and therefore we are not going to cut it off. I remind the committee also of the fact that in recent days Canada abstained from voting on a resolution condemning Portugal for its treatment of the African people in the west African territories under its administration, and that only yesterday, as the Secretary of State for External Affairs informed us earlier, Canada opposed a similar resolution of condemnation of Portugal because of its barbaric and inhuman behaviour toward the Africans in Angola. He said that the resolution was too extreme for Canada to swallow and digest.

I have a copy of the resolution in my hand, Mr. Chairman. The minister said the resolution suggested that Portugal was going to be thrown out of the United Nations. With great respect, I do not see that in the resolution, and may I make clear that neither my colleagues nor I favour the expulsion of any member of the United Nations. We favour the United Nations being all-inclusive. What this resolution does is to remind the government of Portugal that her continued non-implementation of the resolutions of the general assembly and the security council—these are resolutions relating to territories under Portuguese control—is inconsistent with her membership in the United Nations.

What can be more clear than that the kind of barbarism, the kind of racialism, the kind of oppression which the Portuguese government is now carrying on in Angola and other territories under its control is indeed inconsistent with membership in the United Nations, a membership which accepts the propositions in the charter of the United Nations and in the declaration on human rights?

The minister said that Canada could not swallow the suggestion of sanctions. May I put on the record, Mr. Chairman, what the resolution says on that score? The resolution requests the security council to take appropriate measures, including sanctions, to secure Portugal's compliance with this resolution. That is the Portuguese resolution of the general assembly and of the security council. I ask, what could be a more reasonable request on the part of the assembly than that the security council, the executive arm of the United Nations, take appropriate steps, including sanctions, to assure that Portugal will comply with her obligations under the United Nations charter.

What we have, Mr. Chairman, I suggest—and I do not for one moment apologize for using the rather strong language I am about to use—is a statement by the leaders in the government of our country that because of $40 million or $50 million worth of trade with South Africa, because of the fact Portugal is a member of NATO and we are a member of NATO, we are prepared to abandon the basic principles on which democracy is founded and upon which this country is founded, and throw to the wolves the concepts of human rights, human equality and human dignity. We are prepared to do this in order to hold $40 million or $50 million worth of trade with South Africa and in order to enable our fellow member in NATO, Portugal, to have arms. There cannot be any greater condemnation of the policies of NATO in the eyes of the uncommitted peoples of the world than the excuse that because Portugal is a member of NATO we are going to supply it with arms and other military equipment, so that country can continue its oppression of the African people in its territories.

Where is the moral leadership in the world today, Mr. Chairman? I have looked carefully into some of the reports coming out of South Africa. Everyone here has already read the reports coming out of Angola and other Portuguese territories. I want to put on the record, Mr. Chairman, certain words which I wish could be inscribed indelibly on the minds and hearts of all the leaders of the western nations. The following are the words of Nelson Mandela, lieutenant of chief Albert Lutuli in South Africa, a Nobel prize winner who has been virtually under detention by the government. Mr. Mandela was in court on various charges and was making a defence of his actions before the court. In the course of that defence he said this:

> Through bitter experience, we have learned to regard the white man as a harsh and merciless type of human being whose contempt for our rights, and whose utter indifference to the promotion of our welfare, makes his assurances to us absolutely meaningless and hypocritical.

I say to hon. members of this house, Mr. Chairman, and I plead with the government, that our attitude on South Africa, our attitude on Portugal, our attitude to these governments which deny and destroy the concept of human rights, of human dignity in the countries over which they rule, is wrong and unwise, especially in the light of the statement by Mr. Mandela that our assurances to them are absolutely meaningless and hypocritical. If the western nations of the world want to win the support and confidence of the African peoples and the Asian peoples, it is time we abandoned the ruthless mercantilism which is implied in the answer of the Prime Minister and the ruthless militarism which is implied in the answer of the Secretary of State for External Affairs, and acted in accordance with the principles set out in the preamble to the bill of rights of which the Prime Minister is so proud.

Let me remind hon. members what we said in this parliament:

> The parliament of Canada, affirming that the Canadian nation is founded upon principles that acknowledge the supremacy of God, the dignity and worth of the human person and the position of the family in a society of free men and free institutions;
>
> Affirming also that men and institutions remain free only when freedom is founded upon respect for moral and spiritual values and the rule of law;

I ask, Mr. Chairman, what moral and spiritual values is this government defending when it refuses to take action in concert with other nations of the United Nations to punish South Africa and Portugal for their oppression of human beings in their territories and to find some way of changing the policies in those lands.

What is happening in South Africa? Mr. Mandela, to whom I have referred, in his speech to the court described in these words the situation in which he found himself:

> I found myself trailed by officers of the security branch of the police force wherever I went. In short I found myself treated as a criminal, an unconvicted criminal. I was not allowed to pick my company, to frequent the company of men, to participate in their political activities, to join their organizations. I was not free from constant police surveillance any more than a convict in one of our jails is free from surveillance. I was made, by the law, a criminal, not because of what I had done, but what I stood for, because of what I thought, because of my conscience. Can it be any wonder to anybody that such conditions make a man an outlaw of society?

According to an article in the London *Observer*, Mr. Chairman, during the month of May 1962, prior to the proclamation of South Africa as a republic, almost 10,000 Africans were arrested in house raids throughout the country. The ostensible reason was to avoid republican day agitation. Also to the same end, ostensibly the government rushed through the house in less than one week the general law amendment act. This general law amendment act gave magistrates the right to refuse bail for 12 days; gave magistrates the right to refuse a trial by jury and shifted the onus on the accused to prove his innocence, contrary to the basic principles for which we stand.

An hon. Member: They do that in France.

Mr. Lewis: France is an entirely different story. The hon. gentleman says they do this in France, but he is wrong. What they do in France, and in other countries of Europe, is that they have an entirely different system of the enforcement of law; they have various investigations and inquiries that make their system whole. In South Africa they pretend to have our system of justice and under our system of justice it is considered an injustice, cruel and undemocratic, to place the onus upon the accused to prove his innocence.

In April, 1962, the tension in South Africa is reported to have increased to the extent that South Africa built up its defence apparatus, mainly its permanent force, security police, and armed services for the purpose of suppressing an armed revolt. Then, last May I believe it was, Mr. Chairman, or perhaps in June, they passed what is known as the sabotage bill. By all accounts, this is the most vicious piece of legislation of its kind since Hitler's Germany. This is the country with which we say we are going to continue to trade because of the $40 million or $50 million of trade that is involved.

The London *Observer* said in an editorial at the end of May that from now on the conflict will assume its true Hitlerian character.

Under this act sabotage has been defined as injury or damage to property, and even obstructing traffic. The penalties for these as well as more serious offences is the death sentence, or a minimum compulsory five years imprisonment. It applies to juveniles as well as to adults and, according to the act, there is no appeal.

I think it is important to set these matters on record because as I watch what is happening in Canada, the United States, the United Kingdom and other western nations today, with respect to South Africa and Portugal, I am reminded of what happened in the thirties. In 1935, I returned to this country after an absence of three years during which time I among many other people visited Germany, and met many Canadians who listened to our stories as to what was happening in Germany. Even though it might have penetrated their minds they did not let it penetrate their hearts because, like decent people everywhere, they found it impossible to believe that men could act in so inhuman a fashion as the nazis were acting in Germany. It was only after the war ended that they realized there indeed was a regime that was barbaric and inhuman, which took millions of people into the gas chamber, which did destroy human beings because of difference in colour or religion, and which did have all the vicious tendencies we who visited Germany had talked about in the thirties.

At that time people in Canada and elsewhere, people with good minds and good character, and who lived in free societies, found it difficult to believe those things were happening; but today in the same way the white world, the western nations, are making precisely the same mistake one would have thought they would once have learned to avoid. They are making the mistake of not believing that white people, such as the government of South Africa, could be guilty of such things and that Portugal could be guilty of them.

The Secretary of State for External Affairs is one of the finest and gentlest human beings I have had the pleasure of meeting; yet he says in all honesty, and I am sure in all integrity, that he sat beside the minister representing Portugal at the NATO council meeting and was impressed that there were two sides to the question. His words were "more than one side". Mr. Chairman, there cannot be two sides to cruelty; there cannot be two sides to barbarism; there cannot be two sides to inhumanity. There is only one side. It is evil; it ought to be punished, and every assembly in the civilized world ought to take action against it. I am ashamed that a minister of the government of my country should be able to see two sides in such a matter.

In my submission economic sanctions are now, as they have been throughout the years, one of the major weapons short of war in the hands of the agencies of collective security. I suggest there is really no other weapon of coercion; and I frankly admit it is a weapon of coercion, short of war, when all attempts at persuasion have failed to achieve the purposes sought.

The attitude of the government with respect to South Africa and Portugal reminds me, and I am sure all hon. members here will remember it as I recall the story, of the time in 1935 when Dr. Riddell, one of the representatives of Canada at the league of nations in Geneva, appointed by the Liberal government before 1930 and who served during the Bennett regime from 1930 to 1935, committed this country to oil sanctions against Italy because of its invasion of Ethiopia. Then the government which came in in October of that year repudiated Dr. Riddell through the mouths of gentlemen like the late Mr. Lapointe and Mr. Mackenzie King.

Now once again we are great collective securitists, great supporters of the United Nations and of the idea of the United Nations, but only until such time as we have to take an action which may jeopardize several million dollars worth of our trade, or until such time as we have to take an action which may hurt the military status of one of the members of NATO.

I say that the government in October, 1935, betrayed the league of nations and its purposes, and the government of this country today, together with the governments of other countries with which we are allied, are now betraying the purposes of the United Nations and the purposes of the charter of the United Nations by our attitude toward these things in South Africa, Angola and other African territories under the administration of Portugal.

You will recall, Mr. Chairman, that when the question of economic sanctions was discussed in the political commission of the United Nations, Mr. Duma Nokwe, former secretary general of the African national congress, now banned, replied to the position taken by Mr. Crowes, the United Kingdom delegate, who had said that sanctions would hurt the Africans more than it would hurt those supporting apartheid. Mr. Duma Nokwe said:

If Mr. Crowes views are accepted by the members of the U.N., this would be the surest way of reducing the chances of a peaceful solution

of the problems of South Africa and of creating the atmosphere for bloodshed and chaos... The only way—

And I commend this to hon. members—

—of teaching the whites that racialist policies must be abandoned is by removing the economic benefits which they think they get from this system. It is fallacious to suggest that if economic sanctions were imposed on South Africa the non-whites would suffer most.

The Reverend Michael Scott, who was a South African and was banned by the South African government, writing in the *Observer* of recent issue said that the trend to violence woud unleash "a holocaust of hatred the like of which has not been seen anywhere in Africa or Asia."

I regret this kind of comment has to be made on interim supply instead of on a debate on external affairs, and I am sorry this has to be the case. I suggest that if western nations are not careful, the moral leadership of the world will be given to the new nations of Asia and Africa, and these people who have reason to suspect us and resent our behaviour in the past will be ripe for communist dogma and communist solutions of their problems. Part of our weaponry against communist expansion is steadfast support of the rights of nations to independence, and steadfast support for the equality of all men, white black or yellow and, no matter what the cost, we should not waver in our support of those basic principles.

Nelson Mandela, to whom I have already referred, said in his speech, and I commend his noble words to everyone in this chamber:

I hate the practice of race discrimination, and in doing so, in my hatred, I am sustained by the fact that the overwhelming majority of mankind hates it equally. I hate the systematic inculcation of children with colour prejudice and I am sustained in that hatred by the fact that the overwhelming majority of mankind, here and abroad, are with me in that. I hate the racial arrogance which decrees that the good things of life shall be retained as the exclusive right of a minority of the population, and which reduces the majority of the population to a subservience and inferiority, and maintains them as voteless chattels to work where they are told and behave as they are told by the ruling minority.

Nothing that this court can do to me will change in any way that hatred in me, which can only be removed by the removal of the injustice and the inhumanity which I have sought to remove from the political, social and economic life of this country.

Mr. Chairman, I say that when we have fought to uphold the ideas that Mr. Mandela—a lawyer trained, if I am correct in my memory, in Britain—took from us, it is our duty, we who have spread these ideas or at least helped to spread them, to give them a reality in the lives of the people of Africa. That means the people of South Africa, the people of Angola, the people of other west African territories under Portuguese administration. If we cannot make them a reality through persuading the South African government and the Portuguese government, we must make them a reality in the lives of these people through the coercion short of war which is represented by economic sanctions and by the refusal to supply these inhuman governments with arms and other military equipment.

I say, Mr. Chairman, of what value is it to belong to the United Nations, to proclaim the charter of the United Nations, to be a signatory to the declaration of human rights, to boast of our presence in that international body, to speak of its importance to the world—of what use is all that if, when the United Nations adopts a resolution requiring economic sanctions against a country, we ignore it because it may hurt our trade a little; and when the United Nations adopts a resolution requiring economic sanctions against another country, we ignore it because we happen to be in a military alliance with that country. That is equally as reprehensible and equally as destructive of the moral place of the United Nations in the world as is the reprehensible Soviet behaviour in refusing to pay its contribution to the United Nations action in the Congo, or the behaviour of France in refusing to pay the same thing. I suggest, Mr. Chairman, that every time—

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

Mr. Pearson: Mr. Chairman, this discussion on interim supply has roamed far and wide. Indeed, I have taken part in the roaming myself and I make no apology for that. If I speak again, it is to deal with a specific matter arising out of the request for interim supply. But I think it should be pointed out that, while the discussion of this matter has roamed far and wide, some very important matters have been brought before the house which could not have been brought before the house in any other way at this time.

Mr. Chairman, we met in late September instead of in early August, and since we met the business of this house has been arranged in such a way that many of the most urgent questions could not be debated in the way in which they should have been debated. This requires that these matters should be raised in the kind of discussion that we are having this week. Some of the matters brought forth in this discussion could well have been brought forth as parts of separate debates dealing with them if the house had been so organized and if we had had time to debate some of the important matters that

have now been raised. For instance, the failure of the government to formulate policy in the field of transportation; the failure of the government to have trade policy discussed in the house in order to ascertain how long term solutions to the different problems of international trade could be achieved; the accusations or charges that are being made that the Royal Canadian Mounted Police are making unwarranted investigations into the political opinions of individual citizens; the failure of the government to bring forth for discussion in this house the Columbia river treaty; the failure of the government to develop and enunciate a defence policy; the failure of the government to make it possible for us to have a debate on foreign affairs so that we could discuss within the context of such a debate the important matters for instance, that have just been raised by my hon. friend who has just spoken; the failure of the government to deal constructively with the problems of eastern agriculture. These are matters that require separate debate in this house. Because we have not been able to organize our business so that could be done, and because we did not meet, as we should have met, earlier this summer, we have had to take advantage of this kind of motion in order to bring these matters to the attention of the house in the hope that government spokesmen would deal with them in replying to the points made by spokesmen from the opposition. I believe I am right in saying that none of the points I have mentioned—and there have been others—has been dealt with in any way by any spokesman on behalf of the government.

Now, Mr. Chairman, we find ourselves in a position—I think I am using the words of the hon. member for Winnipeg North Centre—where the government has got itself boxed in, in a parliamentary sense, in regard to the question of supply. The old parliament granted interim supply for seven months. Twice in this parliament further supply has been granted, each time for one month. I am right in saying that on each occasion interim supply was expedited by the opposition so we could get ahead with other important business which we assumed the government would bring forward. Our assumption and our hopes in that regard were denied by the event. There is, I believe, no precedent in our parliamentary history for a government asking for the tenth monthly instalment of the total expenditures for a year before one single item of annual expenditure has been voted by parliament—not one. This is something that has not happened before in our parliamentary history.

Mr. Aiken: Whose fault is it?

[Mr. Pearson.]

Mr. Pearson: We will soon find out whose fault it is.

Mr. Aiken: Yes, let us find out.

Mr. Pearson: It is a traditional and fundamental right of parliament to vote taxes before they are collected and to approve expenditures before they are made. When these rights are ignored, when they are violated, parliament itself is being violated and we are taking a step toward its destruction. No matter how wide a circulation we give and no matter in what form, to the bill of rights, and no matter how much we may talk about Magna Carta and the bill of rights, no matter how emotionally we may wrap ourselves up in parliamentary or national flags, both these rights I have mentioned are being deliberately and systematically violated by the present government. New rates of taxation recommended in the budget last April have been collected for over eight months without parliamentary approval. Taxes of an annual value of $200 million, imposed by order in council—an order in council of doubtful legal and constitutional validity and about which we cannot get the legal opinion on which it was based—have been collected for six months. Every effort we have made to bring these taxes before parliament for approval or for rejection has been frustrated and refused.

Now in this bill we are asked to give the government a cheque for another one-twelfth of our annual expenditure. That would make a total of some $5 billion in blank cheques to this government. Of course, this bill is totally unnecessary. We are considering it only because the government has failed to respect the constitutional rights of the elected representatives of the people. If the government had wished, the government could have secured approval of the annual expenditures and of the tax changes proposed in the last budget before holding a general election. The government chose instead, as was its right, to appeal to the people for a new mandate. They did not receive that mandate. But they exercised that right of appeal to the people before any single estimate had been passed and before there had been a budget debate.

After the election, as has been said before in this house, the government had a right to carry on as a caretaker administration, but only until the earliest date at which parliament could have been summoned. That date would have been the last week in July. Parliament, as we have said on this side, should have met then and the government should have asked at once for a vote of confidence. That question would have been settled under our rules after eight days of debate at the most. If the government had

secured a vote of confidence after eight days it could then have placed the new taxation measures before parliament at once. That could have been done, of course, in a budget which would have contained those long term financial and economic proposals promised by the Prime Minister at that time with great solemnity and with great emphasis, as something which would be introduced at the earliest opportunity to take the place of the emergency proposals which were made at the time the austerity program was announced on June 24 and 25.

If the government had done that, the budget debate would have been limited under our rules to six days. The tax proposals resulting from such a budget would not have taken long to deal with. The revised estimates could have been tabled at once and priority could have been given to the consideration of those estimates in the latter part of August and September. The whole program of taxation and expenditure could have been disposed of by the beginning of October if such a program had been followed by this government and if the government had continued to maintain the confidence of the house. Then October, November and December would have been available to the government for legislation. If the budget and the long term program for dealing with our basic problems had been approved, the session could have been concluded before Christmas, instead of the House of Commons finding itself in the position in which it finds itself now, a position which has been graphically described in the Winnipeg *Free Press*—I know hon. gentlemen opposite will not like it, but this extract from that newspaper of the day before yesterday describes the situation very accurately. It reads:

> Parliament is about to adjourn for its Christmas holidays without coming to grips with any basic Canadian problem.

Then the writer goes on:

> Since September the government has blamed the opposition for blockading public business and argued that it could not get on with its major policies of financial and economic reform until the routine agenda was cleared away. It knows, however, that if any major policy were submitted, parliament would consider it without delay. None has been submitted. Parliament will just go home for Christmas with everything of importance postponed.

It is true, of course, that there has been nothing of real general economic importance placed on the order paper so far. The long range economic policies of the government about which the Prime Minister talked so much and so eloquently last June and July—where are they? There have been some important features of specific legislation put on the order paper. There is even one which is of some general economic importance, the setting up of a national development board; but that turns out to be less important than some of us had been led to believe. There is nothing on the order paper, and there has been nothing to give us the chance of implementing in any shape or form the long range economic policies of the government which the Prime Minister said were necessary at the time of the emergency and which would replace the emergency austerity program.

If the government had followed the course of calling parliament together at the end of July, if it had managed to organize in an efficient way the business of this house, we would have reached the point by now of having this legislation and these policies in action and we could have come back in the new year conscious, perhaps, that we had been able to do something—if we come back at all.

The Prime Minister and his supporters say we are responsible over here for any delay there has been. They say we have been holding things up. They used that argument last spring as an excuse for going to the country. They ask: why don't you speed up business? Why don't you get ahead? May I point out that we have made three specific and concrete proposals from this side to government spokesmen which would have had the effect of speeding up the progress of the business which is now on the order paper. We have said three things, none of which has been taken up as far as we know. We have agreed to the allocation of time to specific legislation. That would be done by agreement, and it is a very important concession for an opposition to make. We have agreed to a reduction, if it is a reduction to 30 minutes of the time spent on oral questions on orders of the day, and we have agreed to the prolongation of each day's sitting beyond ten o'clock if that should be necessary to complete the current business before the house or the committee of the whole. These are three specific proposals which have been made by this side as an indication of our willingness to get ahead even with the business which the government has on the order paper.

Mr. Churchill: Would the hon. gentleman permit a question?

Mr. Pearson: I only have ten minutes.

Some hon. Members: Sit down.

Mr. Churchill: It is completely unfair.

Mr. Pearson: It is not completely unfair.

Mr. Churchill: Drag in your socialist friends.

Mr. Pearson: I am speaking for the Liberal party and we put forward these proposals.

Now, Mr. Chairman, a government which was standing on its responsibilities to parliament and to the people of this country, after the election results of last June would have proceeded as I have indicated. A government with any understanding of the fundamental rights of parliament would have proceeded in that way. Mr. Chairman, you know what has happened. You know the position in which we find ourselves now, after many weeks of sitting in this house, after many weeks of confusion, indecision and mismanagement of the business of this house by the government, with bills being brought in and withdrawn, with bills being talked out by supporters of the government themselves. You recall, Mr. Chairman, one evening when the bankruptcy of the management of this house was so apparent that we came to a point where we were about to complete the business before us; nothing else was before us so government members themselves had to filibuster their own order paper.

Now, Mr. Chairman, we are being asked to vote blind on another monthly instalment of the annual expenditures, bringing the amount of blank cheques now up to $5 billion. Then we are being asked to go home for a month and come back to issue another blank cheque making up eleven twelfths of $6 billion of taxpayers' money.

What a travesty of parliamentary government. Mr. Chairman, who would have thought that any government of Canada would dare go so far as even to attempt to spend so much without any parliamentary decision on a single item of estimates. As I have already stated, parliament's examination of, and control over, government spending is the very foundation of our democratic parliamentary system. But this year the estimates of only one department have been brought before parliament. Presumably we will be discussing the rest in February with eleven twelfths of the expenditure already spent. The government will not be explaining or defending its plans and its expenditure. It will be reporting to the house on old history, on what it has already spent. That is the situation in which we now find ourselves when we are asked to vote this further interim supply.

Mr. Chairman, as we have already indicated we on this side are prepared to vote this measure of interim supply in order to enable the business of the country to go on into the new year. But we feel that because of this situation in which parliament now is, owing to the inefficiency of the government and the mismanagement of its business, instead of parliament taking a month's holiday we should come back right after the new year in order to deal with the very real and urgent problems facing this country, if the government will bring forward measures to deal with them. So I repeat that while we will once again let this part of interim supply go through, we protest against the procedures of this government in the fundamental question of the control of parliament over taxation.

The way in which they have handled this matter is a shocking example of contempt of parliament. A government which shows this kind of contempt of parliament has no right to go on sitting on the benches opposite failing so lamentably to govern. And we have no right, Mr. Chairman, to keep this evasive, inactive and indecisive government sitting there. Mr. Chairman, the Canadian people are entitled to something better than perpetual interim supply.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Mr. Chairman—

Some hon. Members: Five o'clock.

The Chairman: Order.

Mr. Diefenbaker: Mr. Chairman—

Some hon. Members: No, five o'clock. Obey the rules.

The Chairman: Order, please. I am sure the Prime Minister realizes that it is five o'clock, but I feel that if he had a word or two—

Some hon. Members: No.

Mr. Diefenbaker: Mr. Chairman—

An hon. Member: He has no regard for the rules.

Mr. Diefenbaker: Mr. Chairman, having just heard a lecture on parliament, I thought it right that—

Some hon. Members: Order.

Some hon. Members: Five o'clock.

Mr. Diefenbaker: Mr. Chairman, I do not mind them howling me down.

Some hon. Members: Five o'clock.

Mr. Diefenbaker: Mr. Chairman, I was going to ask—

An hon. Member: Breaking the rules.

Mr. Diefenbaker: —whether the Leader of the Opposition—

Some hon. Members: Order.

The Chairman: Order.

Mr. Diefenbaker: —whether the Leader of the Opposition—

The Chairman: Order.

Mr. Diefenbaker: Mr. Chairman, I have only a question to ask the Leader of the Opposition, and of course his supporters, for whom he says he speaks, will deny me this. Will he and the other members of the house, knowing that I have to leave tomorrow afternoon and will not have an opportunity to reply—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —allow me, with consent, to speak for ten minutes? That is all I ask.

Some hon. Members: No.

Mr. Pearson: Mr. Chairman, on the point that the Prime Minister has made, from the only information which was available to me, the newspapers, I understood that he was not leaving until four o'clock tomorrow afternoon and I thought he would have ample opportunity to reply tomorrow afternoon before leaving the house at four o'clock. But if the Prime Minister says he has no opportunity to reply I do not see why he should not be given a few minutes at this time, though that is a courtesy which has not been extended to this side of the house.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

The Chairman: Order, please.

Mrs. Fairclough: The same old Grit closure.

The Chairman: Order. Is it agreed then that I shall not see the clock for a few minutes?

Some hon. Members: Ten minutes.

Some hon. Members: Agreed.

The Chairman: The right hon. the Prime Minister.

Mr. Diefenbaker: Mr. Chairman—

An hon. Member: Time's up.

Mr. Diefenbaker: I have to have unanimous consent and all I want to do is to answer some of the fallacious statements that were made, but if that is the attitude and if there is going to be—

Mr. Argue: Even the Prime Minister cannot break the rules.

Mr. Diefenbaker: Did you mention breaking the rules? No, I will not carry on.

Some hon. Members: Closure.

An hon. Member: Just cheapskates.

Mr. Ricard: You are all a bunch of cheap Grits.

Mr. Churchill: The Liberal party will suffer for this.

An hon. Member: A bunch of jokers.

Mr. Martin (Essex East): A country without a government.

Mr. Ricard: A bunch of cheap Grits.

Mr. Martin (Essex East): A country without a government.

The Chairman: Order.

An hon. Member: Why don't you call an election?

Mr. O'Hurley: You do not want one.

Mr. Martin (Essex East): A country without a government.

Mr. Herridge: Let us have a little fair play in this chamber.

Some hon. Members: Closure.

The Chairman: Order. It being five o'clock I leave the chair in order that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15.

Mr. Deputy Speaker: Order.

An hon. Member: Real fair play.

Another hon. Member: What about the rules?

Mr. Deputy Speaker: Order. The Chair is not lacking in patience. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motion and public bills.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, by party arrangement we have agreed to move from the ordinary business of notices of motion and public bills and discuss instead under government orders as the first item, No. 2 on today's order paper, which is Bill No. C-93, as the second item No. 21 on today's order paper, the resolution dealing with the Federal-Provincial Fiscal Arrangements Act, and as No. 3 item No. 29 on today's order paper dealing with an amendment to the National Housing Act with regard to sewage treatment projects throughout Canada. The general understanding was that these three measures would be passed in all stages between now and six o'clock.

Mr. Pearson: Mr. Speaker, it should be possible to get these three measures through very quickly and I should like to suggest that if they are through by half past five or a quarter to six we revert to interim supply.

Mr. Diefenbaker: Mr. Speaker, in view of the sudden change of front and change of conscience that offer is no longer accepted.

Some hon. Members: Hear, hear.

Some hon. Members: Oh, oh.

Mr. Knowles: Mr. Speaker, the statement made by the house leader is quite correct. There was all-party agreement that we would do what he has suggested. There is just one point that I think might be put on the record and that is that the private members' hour being given up today will be added at a later date. I am sure the Minister of Veterans Affairs is prepared to give that undertaking.

Mr. Churchill: Yes, I so do, Mr. Speaker.

Mr. Deputy Speaker: Is the arrangement suggested by the government house leader agreed to by all parties?

Some hon. Members: Agreed.

CANADIAN NATIONAL RAILWAYS

CONSTRUCTION OF BRANCH LINE FROM NEPISIGUIT JUNCTION, N.B.

The house in committee on Bill No. C-93, respecting the construction of a line of railway in the province of New Brunswick by Canadian National Railway Company from Nepisiguit Junction on the Bathurst subdivision of the Canadian National Railways in a southerly and westerly direction for a distance of approximately 15 miles to the property of Brunswick Mining and Smelting Corporation Limited—Mr. Balcer—Mr. Chown in the chair.

Clauses 1 to 8 inclusive agreed to.

Title agreed to.

On the schedule.

Mr. McCleave: May I point out that the schedule was not called?

The Chairman: Shall the schedule carry?

Schedule agreed to.

Bill reported, read the third time and passed.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

AMENDMENTS TO CONFORM TO TAX-SHARING ACT AND INCREASE PAYMENT

Hon. George C. Nowlan (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Federal-Provincial Fiscal Arrangements Act to provide an arrangement with respect to fiscal years commencing on or after April 1, 1962 similar to that provided in the Federal-Provincial Tax-Sharing Arrangements Act with respect to previous fiscal years; to provide also in the said amendment for an increase of one third in the amount of the payment, from one dollar and fifty cents to two dollars per capita.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

Mr. Nowlan: Ordinarily, I would be making a statement of some length. However, in view of the agreement which has been arrived at between the various parties in order to facilitate progress on this other legislation, I will not do so. I should like to say, very briefly, that the purpose of this resolution is to increase the grants to universities from $1.50 to $2 per capita and also to legalize certain arrangements which have been made between the government of Canada and the government of the province of Quebec. Then, if the committee desires, Mr. Chairman, I have a table here showing the various payments which have been made under this provision since it came into effect. I should like to have that inserted in the record, if that is agreeable, and I shall dispense with saying anything more.

Some hon. Members: Agreed.

[*Editor's note: The table above referred to is as follows:*]

VALUE OF UNIVERSITY GRANTS AND TAX ABATEMENTS FOR THE BENEFIT OF UNIVERSITIES: 1951-52 TO 1962-63

	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63 (estimated)	Total
	$	$	$	$	$	$	$	$	$	$	$	$	$
Grant per capita....	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.50	1.50	1.50	1.50	2.00	
Newfoundland.....	180,700	187,000	191,500	199,000	206,000	415,074	426,000	657,000	673,500	688,500	672,225.00	940,000	5,436,499.00
Prince Edward Island.....	49,200	51,500	53,000	52,500	54,000	99,285	99,000	150,000	153,000	154,500	157,783.50	212,000	1,285,708.50
Nova Scotia.....	321,250	326,500	331,500	336,500	341,500	694,717	702,000	1,065,000	1,074,000	1,084,500	1,113,834.00	1,492,000	8,883,301.00
New Brunswick....	257,800	263,000	268,000	273,500	279,000	554,616	565,000	865,500	885,000	900,000	880,812.00	1,214,000	7,206,228.00
Quebec.....	2,027,800	—	—	—	—	4,628,378	4,758,000	7,326,000	7,198,500	7,700,000(1)	7,889,000.00(1)	10,732,000(1)	52,559,678.00
Ontario.....	2,298,750	2,383,000	2,448,500	2,523,000	2,591,500	5,404,933	5,622,000	8,704,500	8,928,000	9,133,500	9,325,428.00	12,684,000	72,047,111.00
Manitoba.....	388,250	399,000	404,500	414,000	424,500	850,040	860,000	1,305,000	1,327,500	1,348,500	1,395,064.50	1,870,000	10,986,354.50
Saskatchewan.....	415,850	421,500	430,500	439,000	444,500	880,665	879,000	1,332,000	1,353,000	1,365,000	1,397,188.50	1,860,000	11,218,203.50
Alberta.....	469,750	485,000	501,000	519,500	533,000	1,123,116	1,160,000	1,801,500	1,864,500	1,924,500	2,008,684.50	2,740,000	15,130,550.50
British Columbia...	582,600	599,000	615,000	633,000	652,500	1,398,464	1,487,000	2,316,000	2,355,000	2,409,000	2,409,060.00	3,381,000	18,774,624.00
Total.....	6,991,950	5,115,500	5,243,500	5,390,000	5,526,500	16,049,288	16,558,000	25,522,500	26,112,000	26,708,000	27,249,080	37,062,000	203,528,318

NOTE: (1) Denotes the value of a tax abatement for the benefit of universities.

13.11.62

Resolution reported and concurred in.

Mr. Nowlan thereupon moved for leave to introduce Bill No. C-101, to amend the Federal-Provincial Fiscal Arrangements Act and the Federal-Provincial Tax-Sharing Arrangements Act.

Motion agreed to and bill read the first and second times and the house went into committee thereon, Mr. Chown in the chair.

On clause 1.

(Translation):

Mr. Gregoire: Mr. Chairman, I do not believe that there has been an agreement between the leaders of the four parties as far as this bill is concerned, which deals with an important matter, the federal-provincial fiscal arrangements. They have not reached us yet.

(Text):

Clause agreed to.

On clause 2.

Mr. Pickersgill: Perhaps the minister could tell us, very briefly, to satisfy my hon. friend from Lapointe, why the date is 1962?

Mr. Nowlan: That was the date agreed upon between the two governments in connection with the implementation of this agreement.

Mr. Pickersgill: There is complete understanding between the two governments?

Mr. Nowlan: Of course, my hon. friend knows it was worked out before I happened to have responsibility for this department. However, I have been assured there was complete understanding and complete agreement and the details were worked out with the co-operation of both parties.

(Translation):

Mr. Gregoire: Mr. Chairman, to come back to that, although the terms of this measure have been agreed upon by the federal and provincial governments, I do not have more confidence in the bill for all that. Why be in such a rush to pass this bill?

(Text):

Mr. Pickersgill: May I make a suggestion that may facilitate the business of the house? Perhaps the third reading of the bill could be put over until tomorrow at the opening of the session and that would give the hon. gentleman a chance to satisfy himself about these provisions and to say a few words at that time.

Mr. Nowlan: If that would be acceptable to hon. members, I would be prepared, if we could pass the bill through the committee stage now, to have third reading tomorrow after there has been a full opportunity to study the bill. The language is somewhat technical, but it is very brief.

(Translation):

Mr. Gregoire: In other words, we agree to it and then, we study it.

(Text):

Clause agreed to.

Title agreed to.

Bill reported.

NATIONAL HOUSING ACT

EXTENSION OF PERIOD FOR CONSTRUCTION OF SEWAGE TREATMENT PROJECTS

Hon. E. D. Fulton (Minister of Public Works) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the National Housing Act, 1954 to extend for an additional two years the period within which the construction of a sewage treatment project in respect of which a loan has been or is to be made must be completed if the municipality or municipal corporation is to be granted a reduction of indebtedness.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

Mr. Fulton: Mr. Chairman, I understand that because of the speed with which we have moved in the last few minutes there will be some little delay in actually getting copies of the bill up here in order that they may be available to hon. members for study when we actually reach that stage. Perhaps I could make a brief statement to explain the purpose of the bill.

Mr. Pickersgill: May I ask the minister if this is his valedictory?

Mr. Fulton: No, I shall have even more important things to say in my valedictory.

The purpose of the bill which this legislation precedes is to extend the forgiveness date applicable to federal loans for construction of sewage treatment projects under Part VIB of the National Housing Act.

Hon. members will recall that this program was authorized under an amendment to the National Housing Act passed by parliament in December, 1960. Under this part of the act, Central Mortgage and Housing Corporation is authorized to make long term, low interest loans to municipalities for the construction and expansion of central treatment or disposal plants or the construction of trunk collector sewers. The loans may be for periods of up to 50 years and for amounts equal to two thirds of the cost of the projects.

The 1960 legislation provided for partial debt cancellation where projects were completed or were under construction by March 31, 1963. In these cases the corporation was authorized to forgive payment of 25 per cent of the amount of the loan advanced, and 25 per cent of the interest accrued on the amount outstanding. The purpose of these provisions was twofold: to provide an incentive to

municipalities to make an early start on these works and to encourage additional employment in construction and allied fields.

In view of the national significance of the program, the government is now asking parliament to extend the effective date of this forgiveness clause by an additional two year period.

I think most of us recognize that one of the most pressing problems of the times is the steady and increasing pollution of our soil and water resources. This not only threatens conservation of the nation's wildlife, it interferes with the fullest possible use of the recreational potential of our streams and rivers and, indeed, in some instances, can and does pose serious health problems. Communities with a high degree of soil and water pollution in their area are concerned about the health hazards that can result from this type of contamination.

The government's intention in introducing the legislation in December, 1960, was to help municipalities strike at the root of the problem by assisting them in providing proper sewage treatment facilities. I need hardly add the failure to provide adequate and sufficient treatment facilities would also interfere with the proper growth and development of a community and might also seriously restrict the provision of adequate housing in many parts of the country.

The lending program has been extremely successful. The 1960 amendment to the act enabled Central Mortgage and Housing Corporation to make loans for sewage treatment purposes up to an aggregate amount of $100 million. Last December, because of the number of applications already received, the government asked and obtained authorization from parliament to raise this ceiling to $200 million. Since the inception of the program in December, 1960, Central Mortgage and Housing Corporation has made 360 loans for a total of more than $85 million. In addition, at the end of November, 1962, the corporation had on hand applications or inquiries for 146 loans with a loan potential of $52.5 million.

Loans have been made to municipalities in every part of Canada and to communities of every size, from large metropolitan centres to rural municipalities of less than 1,000 population. Nearly 200 municipalities of less than 5,000 population, have been assisted under this program. Loans have also been made to 62 communities with populations of between 5,000 and 25,000 and to 36 cities with populations in excess of 25,000.

It is true the response has not been uniform in all parts of the country. Although loans have been made to municipalities in every province, the bulk of the lending has occurred in two or three provinces, notably Ontario and Saskatchewan. However, applications now on hand show a much wider interest in the use of these facilities. Many other municipalities have indicated their desire to institute effective programs for control of pollution in their area. We have been asked to extend the effective forgiveness date so that municipalities now coming forward with proposals will not be placed at a disadvantage in financing these works.

The government feels that, although we have made considerable progress so far in dealing with the pollution problem, much still remains to be done. Many municipalities face grievous problems and are becoming increasingly aware of the need to take remedial action and of the assistance they can obtain from the federal government. Moreover, it must also be recognized that in some areas and along some waterways not all municipalities have yet taken advantage of the legislation. Thus, although some individual towns and cities have undertaken construction of treatment plants to alleviate the problem in their immediate environment, this alone is not sufficient to restore the purity of the river itself. To do this, all municipalities—both upstream and downstream—must take steps to treat their sewage adequately. For these reasons the government is recommending this further amendment to the act.

Under the terms of the bill to be founded on this resolution, the expiry date will be extended to March 31, 1965 and municipalities will be able to take advantage of the 25 per cent rebate on principal and accrued interest, provided their projects are completed by that date. The rebate, of course, will also apply to projects still in course of construction at that time but the amount of forgiveness will be calculated on the work performed prior to March 31, 1965.

Mr. Chairman, when I say the expiry date will extend to March 31, 1965, that refers to the rebate provision which was to expire on March 31, 1963. The program itself, the loan program to municipalities, as I have explained before, by virtue of the 1960 amendment is a continuing feature of the National Housing Act and will continue whether or not portions of the loan are rebated.

It is clear that many municipalities with work now in hand will be unable to complete their projects by next March. Moreover, several communities are in the process of drawing up plans and specifications and will find it difficult to proceed with operations this winter unless they have some certainty as to the effective forgiveness date. I know hon. members will wish to see this vital

work expedited, particularly during the off-season months when construction projects can provide substantial additional employment, and that they will consider the bill with the same sense of urgency matching that with which it has been introduced.

I also hope that hon. members will assist not only the government but their municipalities or their regions by drawing to the attention of all municipal and district councils the fact that the rebate provision has now been extended, and thus encourage their municipalities to take advantage of the loan provision as well as the rebate provision.

Mr. Garland: Mr. Chairman, we on this side have been looking forward to the introduction of this legislation, because some of us were hoping to make contributions to the debate which would normally follow in connection with the National Housing Act and certain aspects of it which we feel could be improved and should be improved at this time. However, in order to co-operate with the government, and in the spirit we have seen during the last half hour in the house, we are willing to forgo that and say our position is exactly the same as I outlined it in the house on November 2 when the minister made the anouncement.

We are most anxious to do whatever we can to co-operate in facilitating the passage of this legislation through the house. Perhaps the minister himself recognizes one of the weaknesses of this particular legislation is the piecemeal aspect of it, covering a year or two at a time. The establishment of a municipal loan fund would enable municipalities which have projects urgently needing to be done to plan years in advance. The people are there to do these projects and we believe that the municipal loan fund, as suggested by my leader more than four years ago, is the answer to helping municipalities. However, I shall deal with that subject on another occasion. All I wish to say now is that we are pleased to co-operate in getting the legislation through the house this afternoon.

Mr. Martin (Timmins): Mr. Chairman, I would like to take just one moment also to applaud the extension that the minister has announced today. I believe this certainly shows a much more proper approach to this problem than we have seen in the past. I think the tremendous pressure for this extension that has been generated all across the country should prove to the minister and the government that you cannot deal with problems like this in the ad hoc way that has been used in the past. To do a proper job in this field it has to be done over a long period of time. You cannot expect a one-year program, with all the necessary planning and preparatory work required, to be as successful as it will be now this extension has been made.

The minister mentioned the successful way in which this fund has been used in the past. I think further successes will be demonstrated over the next two years which will again prove to this government, or whatever government there might happen to be at that time, that this particular program and the method of carrying it out should be broadened and lengthened. It is something that could well become a permanent feature in projects of this nature. Mr. Chairman, I will not take up any more time of the committee. I am also imbued with what seems to be the spirit prevalent in this house today, to get on with the business.

Mr. Olson: Mr. Chairman, we want to co-operate in expediting the passage of this bill. I wish to say to the committee, however, that this party has for years advocated a municipal development bank undertaken by the federal government through the Bank of Canada, and on an appropriate occasion we hope we can have an opportunity to explain our position fully in this regard.

Mr. Herridge: Mr. Chairman, I should like to say a few words in order to keep a promise made to some constituents of mine. I shall be very brief. I may say, Mr. Chairman, that little did I think when I listened to the minister's father, who was then a minister in the provincial government of British Columbia, talk about public works—mostly roads at that time—that in 1962 in this house I would listen to his son, who was not then born.

The members of this group support the principle of this resolution and its purpose. We will have a great deal more to say at the appropriate time with respect to further amendments required to the housing act. I was interested in the minister's emphasis on the need to prevent pollution of rivers and the conservation of natural resources. I am sure we are all behind everything the government does in this respect. This also applies to the prevention of destruction of wildlife. Also, I hope he applies that principle to a very large river in my constituency and saves a great deal of the wildlife that is in imminent danger of destruction, if certain things occur.

I rise particularly to mention the plight of a number of small villages in my constituency—some 20 of them—some incorporated, some unincorporated. I presume the same problem occurs in other constituencies. These small villages are on numerous occasions denied the opportunity to obtain loans from the corporation on the ground that they have not

a sewage disposal system. I understand the minister is giving serious consideration to this problem. There are many such villages in Canada, no doubt, which suffer an injustice under this type of ruling. I am going to give one illustration of a small village some few miles from my home. I refer to the village of Nakusp, one of the historic villages of British Columbia. There the site is excellent; there is a depth of 100 feet of sand upon which the village is situated. The drainage is excellent. Everything is ideal for the installation of septic tanks, and generally speaking the home owners have septic tanks. But some people have applied for loans in a subdivision which is an extension of the village and have been denied loans by Central Mortgage and Housing Corporation because there is no sewage disposal system.

Villages of this size will not for many years have the financial capacity to construct sewage systems, possibly for generations. I do urge reconsideration of these regulations so that where it can be proved that there is no hazard to water resources, to health and things of that sort, where the site, soil and drainage are satisfactory, these people living in the smaller places in Canada will have the same opportunity to obtain loans as those who live in the larger centres. That is all I have to say, Mr. Chairman.

Resolution reported and concurred in.

Mr. Fulton thereupon moved for leave to introduce Bill No. C-102, to amend the National Housing Act, 1954.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read a second time? By leave, now?

Some hon. Members: Agreed.

Mr. Pickersgill: By leave.

Mr. Fulton moved the second reading of the bill.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Chown in the chair.

On clause 1—*Reduction of indebtedness where project completed on or before March 31, 1965.*

Mr. McMillan: Mr. Chairman, I would ask the minister whether there has been any change in the interest rate to the municipalities lately. What is the interest rate, and has there been any change?

Mr. Fulton: Mr. Chairman, there has been no change in the interest rate charged to the municipalities. My recollection is that the rate is 5¼ per cent and we have authority to continue that rate. I would just like to say one other thing, in view of what was said by the hon. member for Nipissing, I know in not a controversial sense, but it may be there is a misunderstanding elsewhere and therefore I would like to clear it up. The hon. member said the fact that we are introducing this amendment shows the necessity for having this on a continuing basis. May I emphasize again that the program is a permanent feature of the national housing legislation. There is now a provision, which will carry on on a permanent basis, for the making of loans to municipalities of two thirds of the capital costs of sewage treatment projects. The only temporary feature is the rebate provision, whereby certain portions of the loan are remitted. That is the only portion that is temporary and it is now extended to 1965 as an incentive to urge municipalities to get a good start on these undertakings.

Mr. Garland: Mr. Chairman, without in any way wishing to impede the progress we are making, I would say that it was not a misunderstanding in regard to the legislation. I was saying that the establishment of a municipal loan fund to provide assistance in connection with capital costs through long term, low interest rates, as suggested four years ago by this party, is a better answer to this problem of helping the municipalities, because not only are sewage projects required but there is a shelf of projects of all kinds that could be undertaken by the municipalities. People continue to be unemployed and many of them could be doing this kind of work.

Clause agreed to.

Title agreed to.

Bill reported.

The Deputy Speaker: When shall the bill be read the third time? By consent, now?

Some hon. Members: Agreed.

Mr. Fulton moved the third reading of the bill.

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

CANADIAN WORLD EXHIBITION CORPORATION

MEASURE TO PROVIDE FOR THE APPOINTMENT OF DIRECTORS, GRANT OF FUNDS, ETC.

Mr. Churchill: At this stage when there are just a few minutes remaining to us there is an item of business to be dealt with which is of great interest to the house generally. It is the resolution in *Votes and Proceedings* dealing with the proposal concerning the Canadian

World Exhibition Corporation looking forward to the world's fair. If the house will consider this resolution now and carry it to first reading, the bill could be distributed after the adjournment and would be available for consideration in the other stages tomorrow.

We have about 15 minutes left to us now and if the sponsor of the resolution could introduce it and leave a little time for one spokesman from each party to say a few words as we could perhaps have first reading by six o'clock.

Mr. Pickersgill: I am sorry but I do not think we can agree to that proposal by the leader of the house. We can, however, make an alternative suggestion which I think is very much better. That is the one which the four parties have discussed. I think we should proceed without any debate at all to the first reading of this bill right away so that the bill might be available overnight. Then the minister and anyone else who is interested could make speeches on second reading. It seems to me there is no quarrel on the principle of holding a world's fair and we would be very glad if all parties would agree to this suggestion. My hon. friend from Laurier was to have spoken on this matter, and there was no agreement that it would be debated today. But if the minister would like to get his bill distributed, and if everybody agrees to bring the bill to that stage, we would be happy to co-operate.

We would then be able to go back into committee of supply and it might be possible to complete supply by six o'clock. It would certainly give anyone who wished to speak for the government a chance to speak.

Mr. Sevigny: In view of the urgency of getting this magnificent project under way I certainly would be agreeable to the suggestion made by the hon. member for Bonavista-Twillingate that first reading be given now without debate.

Mr. Knowles: Inasmuch as unanimous consent is required in order that this motion, which has not yet reached the order paper, may be moved, we are prepared to give that consent in order that the resolution may be put through, with or without debate. Then the bill could be read a first time and printed.

Mr. Patterson: As far as the Social Credit group is concerned, that would be satisfactory and we would go along with the suggestion.

Mr. Churchill: With regard to the other proposal put forward by the hon. member for Bonavista-Twillingate, there was no discussion or agreement about reverting to supply immediately the other matter has gone through. There was no consultation with regard to that. The suggestion that supply might be concluded in the next five or ten minutes lacks credibility, I am afraid. Of course, we would like to complete supply but hon. gentlemen opposite did not inform me of that possibility at two o'clock today.

Mr. Martin (Essex East): We want to get on with the job.

Mr. Churchill: If the house wishes to consider them I shall bring forward two small items which might be dealt with. There is, for example, the Coal Production Act—

Mr. Pickersgill: I think we ought to go back to supply. Of course, we do not want to tell the government what to do in these matters. If they do not want to go back into supply they can bring forward any measure they like. However, we, for our part, would like to go back to supply. We stand by our offer to put through this Montreal matter without debate, but not with debate, to the stage of first reading of the bill.

Mr. Churchill: I agree, then, to proceed with the world's fair proposition without debate and to get first reading. Then we would carry on with it tomorrow. But I would then ask the house to give consideration to the Coal Production Act as the next item.

Mr. Patterson: When I said we were prepared to go along with the suggestion made, I was speaking of this particular measure. I did not have it in mind that we would proceed with any other particular item.

Mr. Knowles: Let us get on with this resolution and then see where we are.

Hon. Pierre Sevigny (for the Prime Minister) moved that the house go into committee to consider the following resolution which has been recommended to the house by His Excellency.

That it is expedient to introduce a measure to establish a Canadian World Exhibition Corporation and to provide for the appointment of its directors and staff; to provide that the Minister of Finance may, out of the consolidated revenue fund, pay to the corporation by way of grant such amounts not exceeding twenty million dollars as are required for the purposes of the corporation; to provide also that the governor in council may authorize the Minister of Finance on behalf of Her Majesty to enter into a joint guarantee with Her Majesty in right of the province of Quebec of the principal amount of any securities issued by the corporation and of the interest thereon in such form and subject to such terms and conditions as may be approved by the governor in council and the lieutenant governor in council of Quebec; to provide further for temporary loans to the corporation out of the consolidated revenue fund, the aggregate of which loans outstanding at any time shall not exceed one million dollars; and to provide further for other related and incidental matters.

Motion agreed to and the house went into committee thereon, Mr. Chown in the chair.

Resolution reported and concurred in.

Mr. Sevigny thereupon moved for leave to introduce Bill No. C-103 to establish the Canadian World Exhibition Corporation.

Motion agreed to and bill read the first time.

Mr. Pickersgill: I should like to make another appeal to the leader of the house to go back into committee of supply.

Mr. Churchill: Item No. 5 on the order paper.

Mr. Martin (Essex East): Don't you want to pass supply?

Mr. Fleming (Eglinton): You are very helpful.

COAL PRODUCTION ASSISTANCE ACT

ADJUSTMENT OF RATE AND TERMS OF REPAYMENT

The house in committee on Bill No. C-64, to amend the Coal Production Assistance Act —Mr. Martineau—Mr. Chown in the chair.

Clauses 1 to 3 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

FREIGHT RATES REDUCTION ACT

AMENDMENTS EXTENDING APPLICATION AND INCREASING EXPENDITURES

The house in committee on Bill C-91, to amend the Freight Rates Reduction Act—Mr. Balcer—Mr. Chown in the chair.

On clause 1—*Extension of time.*

(Translation):

Mr. Gregoire: Mr. Chairman, at the outset of my remarks on this bill, I wish to point out that in the committee on railways, canals and telegraph lines, they managed to rush the bill through Monday morning. In fact, the committee met at 9.30 a.m. and at 9.32 a.m. the bill had been rushed through although the members had not had time to get there. Things were rushed because it was realized that there was increasing objections to the government interfering with the trucking private enterprise.

Indeed, it was mentioned in the committee that the C.N.R. received each year quite substantial grants to reduce its freight rates while at the same time it entered into competition with private trucking companies.

That is a strange way of spending public funds. Money is taken from the Canadian taxpayer's pocket and handed over to a crown corporation which uses it to compete with private enterprise.

Mr. Chairman, we protest of course against that policy, all the more since the C.N.R. has entered that field, in the province of Quebec, without securing a permit from the Quebec transport board. And what does the C.N.R. say in reply to such facts? Here it is: We went into that field; proceedings were taken against us before the courts of the province of Qubec; let us wait and see what the courts will decide.

In my opinion, when the federal government allows the C.N.R. to do that, it sets a bad precedent.

Mr. Chairman, if all the citizens of Canada were to say: Let us disobey the law, let us try to get around it; if we do not get caught, we will continue. Or else, if they said: Let us try and disobey the law, whatever it is, and even if the courts rule that we are doing wrong, we will have benefited from it during two years.

That is exactly what the C.N.R. is doing now with its trucking business in the province of Quebec. It never obtained any permit from the transport board, but it operates that business none the less.

What would you think of a private firm which would start operating a television station without having obtained a licence from the board of broadcast governors and which would say: "If we do not get a licence, we shall stop operations", while keeping on with its broadcasts. It would be surprising to see how quickly the board of broadcast governors would put a stop to such proceedings.

Under this bill, we go further than that. The people's money is given to the C.N.R. to enable it to violate the law in the province of Quebec by entering into competition with private business.

I think that the members of parliament cannot, in all conscience, vote funds to that end. That is why we are opposed to the principle of voting money to help the C.N.R. compete with the very people from whom those funds are collected. After all, this money is taken in the form of taxes from the trucking companies in the province of Quebec and handed out to the C.N.R. so that it can compete with those same companies.

We have always claimed that this was socialism.

Mr. Chairman, socialist policy consists in imposing taxes on the people to enable the government to go into business, and once in business, it taxes the people in order to make up its own deficits. Such is socialism.

We are again asked today to vote money in order to help the government compete with private enterprise, whether such competition is illegal or not. Indeed, the C.N.R. is doing just that at present in the province of Quebec.

And we are expected to keep on voting money for the government and to take that money away from the taxpayers. We are entirely against it.

Mr. Chairman, we agreed to hasten adoption of the preceding bills, but as far as this one is concerned, we are definitely against it. If we think of what this has permitted in the past, more precisely a constant interference by the government in fields where private enterprise is doing very well, we are surely not to be expected now to help make things worse.

Mr. Chairman, legislation like this one is being passed, and we are told that they are just temporary measures for a period of only 12 months. After 12 months, we are asked again to extend their application. After a further period of 12 months, the same thing happens over again. As a matter of fact, the situation keeps repeating itself.

For how many years shall we have to vote public funds to make up the C.N.R. deficits, in addition to the $65 million this company is already getting, without mentioning the $50 million which were passed at full speed the other day?

Today we are asked to vote $25 million. Those amounts are all for the C.N.R. How long will this be kept up.

Mr. Chairman, first we must put some order in the administration of the C.N.R., otherwise, similar measures will keep coming before us.

Mr. Chairman, I believe it is six o'clock. Do you wish that I continue or should we call it six o'clock?

(Text):

The Chairman: Order. It being six o'clock—

Mr. Pickersgill: Mr. Chairman, if a few minutes would enable the hon. gentleman to complete his remarks and we could pass this bill, it might be worth while letting him continue.

(Translation):

Mr. Gregoire: Mr. Chairman, I must say that this will take at least an hour and a half, two hours or even more.

(Text):

Mr. Pickersgill: Who is holding up the business now?

The Chairman: Shall I rise, report progress, and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Clause 1 stands.

Progress reported.

Mr. Deputy Speaker: At five o'clock the chairman of the committee of supply rose without obtaining leave for the committee to sit again. In order to complete that procedural requirement, the house will now resume the business which was interrupted at five o'clock.

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Mr. Speaker, in view of the harmony and co-operation that have been manifest this afternoon—

Some hon. Members: Oh, oh.

Mr. Pickersgill: —could the house leader indicate what the government hopes to accomplish tomorrow and the order in which it hopes to accomplish it?

Mr. Churchill: The most important piece of business tomorrow, after we take third reading of the bill based on the resolution which is No. 21 on today's order paper is, of course, interim supply, so that we can get the appropriation bill through and have the other house consider it. By long odds that is the most important. The second item to which we would like to give our attention is the bill based on the resolution pertaining to the world's fair. If time permits, other items of business will be called accordingly, but there will be a chance tomorrow to consult and see what progress we are making.

Mr. Pickersgill: I just want to make sure that I understand clearly and that the house does. I understand that third reading of the bill respecting the Federal-Provincial Fiscal Arrangements Act will be taken first; then we will go into committee of supply and take supply until that is completed, and then take the Montreal bill.

Mr. Churchill: That is correct—the world's fair bill.

It being five minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, December 20, 1962

The house met at 2.30 p.m.

BANKING AND COMMERCE

Fourth report of standing committee on banking and commerce—Mr. Aiken.

BUSINESS OF THE HOUSE

CHRISTMAS ADJOURNMENT DECEMBER 20 TO JANUARY 21

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, on December 6, as recorded at page 2371 of *Hansard*, following consideration with the leaders of the several parties, I discussed the question as to when the Christmas adjournment should take place. At that time I stated that following that discussion the adjournment of the house would take place on December 20 and the house would reassemble on Monday, January 21. Now, sir, with the unanimous consent of the house I move:

That when this house adjourns on Thursday, December 20, at 10 o'clock p.m. it stand adjourned until 2.30 p.m. on Monday, January 21.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, it is quite true, as the Prime Minister has said, that on December 6 following consultation with the leaders of the parties the Prime Minister announced in the house that, and I quote his words, "on the basis of the progress being made," the house would reassemble on January 21.

It is also true, Mr. Speaker, that yesterday I suggested for consideration by the government, which alone has the responsibility in this matter, that on the basis of progress made as of December 19, if there were economic legislation ready to be brought forward so that we could face the problems of the country with that legislation, we should meet at an earlier date.

The Prime Minister has now made a motion, which is the original proposal, that we should reassemble on January 21. If the Prime Minister had moved that we should reassemble at an earlier date for the purpose I have mentioned, we on this side would have been glad to support that motion. But the motion has been made by the Prime Minister on behalf of the government, which alone has the responsibility of ordering the business of this house; therefore, as there is no other motion before the house, we will stand by the original agreement.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, as far as this group are concerned we recognize the agreement that was entered into some days ago, and of course we fit in with the plan that has been announced. On behalf of our group I would just like to express to each and every hon. member, including yourself, Your Honour, the very best for the Christmas season.

Some hon. Members: Hear, hear.

Motion agreed to.

PUBLIC SERVICE

ROYAL COMMISSION REPORT—ANNOUNCEMENT OF STAFF TO CONSIDER RECOMMENDATIONS

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I should like to announce the arrangements that have been made to assemble a staff of senior officers of the public service to work directly with Senator McCutcheon, Minister without Portfolio, on measures to implement the recommendations of the royal commission on government organization, with particular reference to the views expressed in those recommendations by Mr. Therrien, one of the commissioners.

The group will be headed by Dr. G. F. Davidson, deputy minister of citizenship and immigration, who is to be seconded to the privy council and will work full time on this program. He will be assisted by Dr. Jacques Miquelon, under secretary of state, who will devote such portion of his time as is necessary to this program and will carry on his other duties as well, and Mr. John A. MacDonald, assistant secretary of treasury board, who is being seconded to the privy council for this purpose. Mr. Henry Hindley and Mr. Yeomans, who were on Mr. Glassco's central staff throughout the course of the inquiry, have been appointed in the privy council office to participate in this work. It is expected that other officers will be assigned to take part as well.

This group of senior officers will work closely with the cabinet committee that is dealing with this matter as well as with individual ministers, departments and agen-

cies in order to ensure that the recommendations of the royal commission are thoroughly considered and, when approved, are put into effect. Hon. members will recall that on November 29 I announced that I expected that most of the recommendations will be carried out at the earliest possible date, and that Senator McCutcheon had been designated as the minister responsible for the appraisal and implementation of the reports. I should also add, as I said a moment ago, that in so far as the recommendations are concerned, to bring about to the largest degree possible the spirit of the constitution of this country, the recommendations of Mr. Therrien will receive the fullest consideration.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, in the light of the statement just made by the Prime Minister may I ask him whether he has given any consideration to the suggestion and the statement made by the Leader of the Opposition in the course of the debate on interim supply, concerning an inquiry into the public service with reference to biculturalism and consultation with the provinces?

[*Later:*]

On the orders of the day:

Mr. G. J. McIlraith (Ottawa West): I should like to direct a question to the right hon. Prime Minister. In view of his announcement earlier this afternoon about the organization of administrative personnel under the direction of Senator McCutcheon as the minister to implement the Glassco commission report, will he advise the house what minister will be answerable in the House of Commons for questions relating to this subject?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the Prime Minister or any other minister will gladly answer questions.

Mr. T. S. Barnett (Comox-Alberni): I should like to direct a question to the Prime Minister. Will he inform the house who will assume the duties of the deputy minister of citizenship and immigration during the period when Dr. Davidson is engaged with other duties which the Prime Minister announced today?

Mr. Diefenbaker: Mr. Speaker, that announcement will be made at the appropriate time.

HOUSING

C.M.H.C.—LENDING POLICY RESPECTING RENTAL PROJECTS

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, on two occasions recently I have made announcements covering amendments to or revisions of policy under the National Housing Act. Today I should like to make a further announcement concerning the lending policy of the Central Mortgage and Housing Corporation with respect to rental housing.

By way of background I should say that in recent years government policy on direct lending by the corporation under section 40 of the National Housing Act has been primarily concerned with the home ownership field. The results have been spectacular.

In August of 1957 the government extended direct lending by the corporation, under an agency arrangement with the approved lenders, to all centres of population for home owner applicants, for builders and, for a short time, to rental entrepreneurs. This move immediately injected some $150 million into housing at a time when it was beneficial to prospective home owners, to families desiring to rent accommodation, to builders, to manufacturers and to the economy in general.

I do not propose to review all the details of government policy concerning direct lending by Central Mortgage and Housing Corporation at that time or in the years from 1957 to January, 1961. However, it will be remembered that the government's program was so successful that parliament was asked for an additional $150 million late in 1957, and even this amount was virtually exhausted by early April of 1958, necessitating a suspension of the arrangement until the government could seek the approval of more funds at the next session of parliament.

Additional funds were approved by parliament in May of 1958, when the statutory vote was increased to $750 million from $400 million, and on three additional occasions the government again asked parliament to vote increases to meet continuing demand for direct corporation loans. In March of 1959 the vote was increased to $1 billion, in March, 1960 to $1.5 billion and in September, 1961 to $2 billion.

At the same time the lending institutions have been extremely active and have injected massive amounts of money and consequent construction activities into the fields of both ownership and rental accommodation. The results of all these activities are reflected in the record numbers of housing starts and completions over the past four or five years. However, the activities of the lending institutions have been primarily, although not exclusively, confined to the major urban centres of population. As a result the requirements for both ownership and rental accommodation in these areas have been pretty well

met. Indeed, some concern is now being expressed about the high number of units for rent or sale in our major population centres.

In the smaller communities, however, the activities of the lending institutions have been much more limited and in some cases non-existent. Their funds have, generally speaking, been fully committed to the larger centres where large scale demand exists and administrative costs are correspondingly low. The direct lending activities of C.M.H.C. have filled the gaps quite adequately for home ownership units in the smaller communities, but the confinement of the corporation's undertaking to this field has undoubtedly left appreciable needs to be filled in the area of rental accommodation in such communities.

The result has been that substandard housing is developing, especially in the fringe areas of smaller communities, more especially as industries move in or expand and people are compelled to get what accommodation they can find. Many hon. members will be aware of the problem of "shantytown" developments on the fringe areas which our municipalities find difficult or impossible to control.

After giving serious consideration to this problem and the representations received, the government has decided that a limited extension of the rental lending activities of C.M.H.C. under section 40 of the act would provide a substantial solution. Accordingly the corporation has been authorized to consider applications for direct loans for privately sponsored rental housing projects where the applicant can establish that he has been unable to proceed with an otherwise acceptable project because of inability to obtain a loan from the approved lenders.

Therefore, effective immediately, direct National Housing Act loans for rental projects will be made available in all Canadian communities where, in the opinion of Central Mortgage and Housing Corporation, a need for rental housing exists that is not being met by the approved lenders under the act. These direct loans will be made on the same terms and conditions, and subject to the same limitations, as those upon which a loan may be made under the provisions of part I of the National Housing Act.

I am confident that this authority for C.M.H.C. to make direct loans for rental projects will prove to be an important factor in meeting the present shortage of rental accommodation in many Canadian communities, and in improving general living conditions. It is estimated that the demand for funds for this purpose will be approximately $15 million each year.

Mr. J. R. Garland (Nipissing): Mr. Speaker, we have just seen an example of the way the government operates in making these announcements. Today the minister has made the speech which he might well have made yesterday. In so doing he has precluded the opposition from making any comment on, or dealing in any way with, the inadequacy of the government's housing program, and the inadequacy of the out-dated National Housing Act.

Without in any way commenting on the announcement today about rental lending we will have an opportunity, I suppose, at some distant time in the future of discussing this particular piece of legislation.

An hon. Member: We hope.

Mr. Garland: Yes, we hope. Perhaps it will be in charge of another minister at another time; it may be during another parliament; who is to know. However, I think we might well have expected some announcement today from the minister re existing units before branching off into another field, although in this sense I am not condemning the action proposed. But there are a great many fields not taken care of. I am thinking of all the rural communities across the country, the needs of which have not been met under the terms of the National Housing Act. I think of the fishermen and all the people across the country who are at the moment unable to take advantage of the National Housing Act.

Mr. Horace A. Olson (Medicine Hat): Mr. Speaker, we welcome this announcement because we in this party are keenly aware of the fact that there are some, in fact a great many, anomalies in the matter of assessments and valuations as between various communities which appear to us to warrant equal consideration so far as the percentage of loans required is concerned. Some small urban communities are assessed at lower levels in the determination of the maximum mortgage available. We welcome the announcement that Central Mortgage and Housing Corporation will now enter the field of direct lending in order to help some of these smaller communities, and we hope this will correct some of the problems I have outlined.

Mr. M. W. Martin (Timmins): Mr. Speaker, in welcoming both the announcement made by the minister and the short review he has given of the workings of this act over the past few years, I should like to say that I think it illustrates very well once again what happens when the government takes the lead in a certain field. That is something which could very well be extended to other departments of the gouvernement. This shows how, once the government takes

the lead, it stimulates even private interests and generates benefit to the country as a whole.

I hope we can look forward to an announcement by the minister before too long that the benefits of this act will be made applicable to houses already built in order that they may be improved, instead, as is the case now, of having to go to another source for a short term bank loan. I think this is something which could very well attack one of the major problems of this country, that of slum housing. I think if this act were broadened and extended to this field it would be of great benefit to the country.

TRANSPORT

RAILWAY BRANCH LINES—STATEMENT ON POLICY RESPECTING ABANDONMENT

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, a number of questions have been raised regarding applications filed by the two major railways for branch line abandonments in the western provinces, particularly as they may affect elevator and grain interests. The suggestion has been advanced that all abandonment cases should be brought to a halt pending over-all examination of the situation.

The government in the speech from the throne made known its intent to present legislation arising out of recommendations of the recent royal commission on transportation. The recommendations of the commission have a major bearing upon the matter of branch line abandonment and procedures in relation thereto.

In view of this situation the Minister of Agriculture and I met with the presidents of Canadian Pacific and Canadian National Railways to consider how, in the interests of all parties, a series of precipitate and unorganized abandonment applications might be avoided. The railway presidents are sympathetic to the problem and have indicated their complete willingness to assist in trying to effect an appropriate solution.

Applications for branch line abandonments in western Canada presently filed with the board of transport commissioners and those which may be filed are designed to allow western interests to obtain an over-all picture. To this end my colleague the Minister of Agriculture has arranged that we and the two railway presidents meet on January 3 or January 4 with representatives of the western pool elevators and the elevator companies in order to discuss possible procedures. While a very few cases already well advanced may proceed, the great majority will not be dealt with in any precipitate fashion and will be handled in a manner which will permit a proper over-all review by the board with the interested parties at the appropriate time and in the appropriate manner.

Mr. Hazen Argue (Assiniboia): Mr. Speaker, we have listened with a good deal of interest to the statement which has been made by the Minister of Transport. The nub of the statement is that applications now before the board of transport commissioners for railway line abandonment may be proceeded with even though some discussions will be taking place later, after which a plan for abandonment in a more orderly fashion may or may not be formulated.

We wish to protest the failure of the government to act in providing a suspension of these proceedings. In our opinion it is most unjust and most unfair that applications now before the board should be proceeded with when an overall policy at some later date might make a much better provision for railway services than would be made if this piecemeal, hit and miss policy is continued. We express the hope that out of the meeting to which the minister has referred there may in fact come—although we are not sure that this will be the result—some policy or some plan of rationalization which, in addition to providing railway services on a continuing and adequate basis, will bear in mind the needs of Canadians for the maintenance of adequate services and for consideration of their economic position.

The recommendations of the royal commission with regard to branch line abandonments and all the recommendations associated with them add up, we feel, to something that should not be proceeded with holus bolus in the manner which has been recommended. We shall have further comments to make on these questions when the occasion arises.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I am not as familiar with policies of abandonment as is the hon. member for Assiniboia.

Some hon. Members: Oh, oh.

Mr. Argue: May I tell the hon. member—

An hon. Member: Sit down.

Mr. Argue: —that he is following on a line of no services.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I think we understand the procedure at this time. It should be that of fair comment on the announcements which are made on motions. These are not debates.

Mr. Argue: Tell us about the Regina railway station.

Mr. Hellyer: Did not the hon. member abandon his home province of Saskatchewan?

Mr. Argue: Who abandoned Regina and Saskatchewan?

Mr. Douglas: I beg Your Honour's pardon if I have transgressed either the rules of the house or the spirit of Christmas. I should like to commend the minister for the statement he has made. I am glad that some steps are going to be taken to see that no precipitate action is going to be taken in respect of these applications that are now being considered by the board of transport commissioners.

However, I suggest to the minister and to the government that the mere attempt to prevent precipitate action will not assuage the fears that are prevalent in many communities, and I would hope the government could persuade both the railways and the board of transport commissioners to give definite assurance that they will not proceed with any of these applications which are now being discussed by the board of transport commissioners. I believe that today the premiers of the three prairie provinces and the representatives of farm organizations on the prairies are meeting in the city of Regina to discuss this very important matter.

I would remind the minister it is not only grain elevators which are adversely affected but many other places of business in many communities, the dwellings and the assets which those communities have. I would hope that at a very early date some over-all plan to carry out some of the recommendations of the royal commission on transportation will be brought before the house.

[*Later:*]

On the orders of the day:

Mr. Horace A. Olson (Medicine Hat): I should like to address a question to the Minister of Transport, in view of the very important statement he made today in respect of railway lines in western Canada. I should like to ask him whether the federal government has representatives at the meeting which is being held today in Regina between the provincial governments and the wheat pools.

Hon. Leon Balcer (Minister of Transport): No, Mr. Speaker.

UNEMPLOYMENT INSURANCE

TABLING OF REPORT OF GILL COMMITTEE

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I wish to table two copies, in English and in French, of the report of the committee of inquiry into the Unemployment Insurance Act.

Mr. Martin (Essex East): At last.

Mr. Diefenbaker: I should like at the same time to say how grateful the government is to the chairman, Ernest Gill, and to the commissioners, Etienne Crevier, John J. Deutsch and J. Richards Petrie; to the secretary, Richard Humphrys, as well as to counsel, for the presentations that have been made and the attention given by this commission to this very important matter.

Mr. Speaker: By leave of the house the right hon. gentleman is tabling the report of the committee on unemployment insurance. Is it agreed?

Some hon. Members: Agreed.

CANADA ELECTIONS ACT

AMENDMENT RESPECTING BROADCASTING OF POLITICAL PROGRAMS

Mr. Harry C. Harley (Halton) moved for leave to introduce Bill No. C-104, to amend the Canada Elections Act (political programs).

Some hon. Members: Explain.

Mr. Harley: Mr. Speaker, the purpose of this bill is to clarify a clause in the Canada Elections Act in order to bring that act into line with the Broadcasting Act as it applies to political broadcasting.

Motion agreed to and bill read the first time.

(Translation):

VOCATIONAL TRAINING

ASSISTANCE TO PROVINCES IN TECHNICAL SCHOOL CONSTRUCTION

On the orders of the day:

Mr. Maurice Rinfret (St. James): Mr. Speaker, my question is intended for the Minister of Labour and I sent him notice of it.

Could the Minister of Labour tell the house whether his department will maintain its assistance program to the provinces for the building of technical schools, on the basis of 75 per cent of proposed amounts, after March 31, 1963?

(Text):

Hon. Michael Starr (Minister of Labour): This is a matter of government policy, Mr. Speaker, and a decision in that regard has not yet been made.

AIR TRANSPORT

APPLICATION BY CANADIAN PACIFIC AIR LINES TO SERVE U.S. WEST COAST

On the orders of the day:

Mr. John R. Nicholson (Vancouver Centre): I have a question I should like to ask the Minister of Transport. On December 7, in

answer to a question I put to him, the minister stated that the government had no jurisdiction to interfere with the move of United Air Lines in closing their Vancouver office because it was a matter of internal management. I am advised that Canadian Pacific Air Lines have applied for a licence to permit them to serve the west coast of the United States. My question is, has the minister received any representations from the Vancouver board of trade or other bodies on the west coast supporting the application of Canadian Pacific Air Lines to operate in competition with United Air Lines in that area?

Hon. Leon Balcer (Minister of Transport): I shall have to check that with my office, but I can assure my hon. friend right away that the government is making representations to the United States government to amend the bilateral agreement between our two countries to provide more routes for Canadian carriers from Canada to the United States and back.

ADMINISTRATION OF JUSTICE

RALPH COCHRANE—EXAMINATION BY PRISON PSYCHIATRIST

On the orders of the day:

Mr. David Orlikow (Winnipeg North): I should like to direct a question to the Minister of Justice, notice of which I gave him this morning. Has Mr. Cochrane, a prisoner in solitary confinement in Kingston penitentiary for the past 13 months, been examined by the prison psychiatrist? When was the last examination held?

Mr. Speaker: Order. I think if we are going to have a series of questions of this nature it would be advantageous to have such questions on the order paper. If the hon. member has a single question I will permit it.

Mr. Orlikow: I would ask one question, then. Has the prison psychiatrist made a report to the warden or the Department of Justice on the possible effects on Mr. Cochrane of this long confinement?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, first I must caution the house against giving their normal meaning to such words as the hon. member has used "solitary confinement for 13 months". So far as this particular inmate is concerned, he has been examined by the psychiatrist and has been found to be in good mental and physical health.

[Mr. Nicholson.]

HEALTH AND WELFARE

SUGGESTED COMMITTEE ON RELATION OF DRUGS TO BIRTH ABNORMALITIES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Is the minister giving consideration to the suggestion of a drug firm that a committee of experts be set up to study cases where drugs may be involved in congenital abnormalities?

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, while I was interested to read the suggestions of the drug company in this field, I think the establishment of a separate committee to evaluate reports of drug deformities would be duplication of effort at this stage. There are a number of professional groups conducting surveys most vigorously, particularly with regard to the thalidomide problem. The expert committee of the Royal College of Physicians and Surgeons, which has been looking into the operations of the food and drug directorate, is just preparing its final report, and I hope to have it shortly.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

AMENDMENTS TO CONFORM TO TAX-SHARING ACT AND INCREASE PAYMENT

Hon. George C. Nowlan (Minister of Finance) moved the third reading of Bill No. C-101, to amend the Federal-Provincial Fiscal Arrangements Act and the Federal-Provincial Tax-Sharing Arrangements Act.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I wish to make a few comments on the motion for the third reading of the bill concerning the federal-provincial fiscal arrangements.

First of all, I must say that the problem of federal-provincial fiscal arrangements is one which has a particular interest for us. It is an apparent fact that, for some time, new strides towards progress are being made in the province of Quebec. However, such in advance may be hampered by a lack of the income and financial means required.

We are discussing today fiscal arrangements related to the field of education. For some time, that is, for the past three or four weeks, there has been a lot of talk about the educational system of the province of Quebec. Some find it adequate; others say there is much room for improvement. On that point, Mr. Speaker, I should like

to mention that the purpose of an educational system is not merely to train businessmen, scientists or engineers, but also to develop in the individual that sense of humanism and that culture which makes him a superior man and enables one to tell a cultured man from one who is not.

Mr. Speaker, a wide educational program is being developed in the province of Quebec. I think the provincial minister of youth deserves credit for the wonderful job being done. As a matter of fact, we support his efforts and wish that such action should continue. But we are afraid that education in our province will be hampered or even stopped because of the lack of funds necessary to develop and carry out that education program.

Mr. Speaker, it is imperative for the provinces to regain their sources of income if they are to develop their educational systems, their road programs, their health schemes and all other matters which come under their jurisdiction.

If we are to adopt a more realistic and efficient scale of values, the province of Quebec must start by demanding the restoration of the province's sources of income.

Those sources of income used to belong to the provinces. However, the federal government took them over during the second world war. We appreciate that the central government was, at the time, justified to ask the provinces to lend it, as it were, their sources of income in order to help it fight the common enemy. However, the war has been over for 17 years and Ottawa has not yet given back to the provinces the sources of income it was supposed to borrow for a few years only.

Mr. Speaker, the government of the day promised to return their sources of income to the provinces—

Mr. Speaker: Order. I would point out to the hon. member that the matter at hand is very limited in scope since it has to do solely with the principle of the measure under consideration. The bill deals with a single matter, that of grants for university education. Under the provisions of Bill C-101, we are not, at the present time, considering the whole problem of fiscal relations between the provinces and the federal government. I therefore ask the hon. gentleman to restrict his comments to the very principle of the bill.

Mr. Gregoire: Mr. Speaker, after having read this bill, one cannot help relating it directly to another one which was adopted earlier during this session, and under which there was granted to some provinces, and more particularly to the province of Quebec, the equivalent of a 50 cents per capita increase. In the bill previously adopted, corporation tax exemptions had been increased by 1 per cent, that amount being handed back to the provinces. In the case of the province of Quebec, in order to compensate for that 50 cents per capita which is now handed back to the universities, that 1 per cent is directly levied by the Quebec government. That is why the bill is entitled: Federal-Provincial Fiscal Arrangements Act, in certain fields, especially education.

That is why, Mr. Speaker, I wanted to deal for a few moments only with those fiscal arrangements which concern us and about which I had been talking for some time: the transfer to the provinces of an additional source of income to help improve education.

Mr. Speaker, I respectfully submit that if we want to respect the spirit of confederation, we must not, as we are still doing today, increase 50 cents by 50 cents, drop by drop, the amount we give to universities, or increase by 1 per cent every two or three years corporation tax exemptions, to hand that percentage back to the provinces, but we must, in a single stroke, hand back to the provinces all sources of income belonging to them.

Mr. Speaker, that is one of the most important problems facing Canada at this time. Reference is made to the unemployment problem and to other problems, but let us not forget that all those problems will be solved by the smaller social cells, those social cells that are nearer to the individuals, and which cannot play their full role at this time on account of existing fiscal arrangements.

It is the federal government which levies all taxes, leaving almost nothing to the provinces and municipalities, so that they cannot face their obligations, as in the case of universities which we are now considering.

I should like to add, furthermore, that it is not because the Liberal party has robbed the provinces of their sources of income that this government should hand back those

sources of income drop by drop, as it is now doing. It is that whole system of federal-provincial arrangements on fiscal rights which must be reconsidered. Those are all sources of income belonging to the provinces and which should be handed back to them.

Coming back to the bill, Mr. Speaker, I submit that what is proposed today, that is to say, hand back to the provinces a little part of their rights, is all very well, but we are asking the government to see to it as soon as possible that a commission be set up which will make sure that their sources of income are handed back—and not only considered, because this study has been made a long time ago—to the provinces.

(Text):

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

SUPPLY

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

INTERIM SUPPLY

Resolved, that a sum not exceeding $330,089,511.93 being the aggregate of—

(a) one twelfth of the total of the amounts of the items set forth in the revised estimates for the fiscal year ending March 31, 1963, laid before the House of Commons at the present session of parliament, except atomic energy item 5, Canadian Broadcasting Corporation item 5, finance items 45 and 50, forestry item 11, labour item 40, legislation items 30 and 35, mines and technical surveys items 30, 35, 40, 70, 80, 125 and 130, national defence item 70, national health and welfare item 25, northern affairs and national resources items 10, 45 and 90, public works items 5, 45, 70, 100, 105, 125, 145, 168, 170, 180, 190 and 200, Royal Canadian Mounted Police items 5, 15 and 25, transport items 35, 40, 60, 80, 85, 100, 125, 222 and 225, loans investments and advances item L20 $292,175,958;

(b) an additional one twelfth of the amounts of defence production item 25, external affairs item 5, northern affairs and national resources item 105, of the said revised estimates, $1,842,041.67;

(c) one twelfth of the total of the amounts of the items set forth in the supplementary estimates (A) for the fiscal year ending March 31, 1963, except external affairs item 112a, transport items 213a and 222a, $8,738,178.92;

(d) ten twelfths of the total of the amounts of the items set forth in the supplementary estimates (B) for the fiscal year ending March 31, 1963, $27,333,333.34,

be granted to Her Majesty on account of the present fiscal year ending March 31, 1963.

(Translation):

Mr. Cote: Mr. Chairman, as a descendant of one of the oldest Canadian families established in this country in 1635, I have always been attached to freedom and I have always been told that nobility and dignity are appropriate in all circumstances. That is why I was astonished last evening to see the systematic obstruction practised by our colleagues sitting on our right against the Prime Minister of Canada (Mr. Diefenbaker). Even though I do not approve the policies of the Prime Minister and even though I feel that this government has brought forward no immediate cures for the hardship of Canadian families, these hon. members were not entitled to act the way they did, especially when it is a known fact that the Liberals themselves, since the beginning of the session, have delayed the passage of legislation under all sorts of idle pretexts.

An hon. Member: And what are you doing right now?

Mr. Dupuis: You talk like an irresponsible person.

Mr. Cote: On the other hand, Mr. Chairman—

Mr. Dupuis: You talk like an irresponsible person.

Mr. Cote: I am generally courteous enough to listen to you, so please let me say what I want to say.

Mr. Dupuis: Be sensible and we shall listen to you.

Mr. Cote: On the other hand, Mr. Chairman, I have heard in this house, these last few days, words that were most pleasant to my French ears, and I want to offer my heartiest congratulations to those who said them, even to the Leader of the Opposition (Mr. Pearson).

As far as I am concerned, I have to convey today things that are more abstract. Being myself from the financial world, I want to deal with what I would call the poetry of figures and of money. Listening to the hon. members from the three old parties of social debit, Conservatives, Liberals and socialists—for the socialists are members of an old party which has been in existence for more than 40 years in the world—we Social Crediters can readily see that those hon. members, in spite of their good will, are unable to cope with the budgetary problems which we are now facing, for they are still holding to ancient economical concepts which have long been out-of-date. How can we get out of this social debit era? They do not know the answer, and they do not care to find out, for they would have to study the whole financial system governing the economic life of this country. Yet, the situation is constantly worsening and this is proved by the fact that social debit or general running into debt is increasing at a terrific speed. For example, the total increase in debts in Canada, from 1956 to 1961, has been around $20 billion, or 52 per cent, under both Liberal

and Conservative administrations. Figures taken from the statistical supplement of the Bank of Canada show that the federal, provincial, municipal, school, mortgage and personal debts, as well as foreign debts, make up a total of $58,400 billion.

Where are we heading for, Mr. Chairman, with this social debit system, this fateful work of the old parties? Except for the Social Crediters, where are the members of this house who have made positive suggestions which could really put an end to this financial anarchy?

On the other hand, Mr. Chairman, is it possible, with this old financial system of social debit which is defended and protected by the three other parties facing us and on our right, to pay $58 billion in total debts and to see, someday, the end of what is a terrible nightmare for all Canadians, while our money supply is scarcely over $15 billion, divided between $2 billion in currency and approximately $13 billion in credit or bank money issued by commercial banks? No, such a thing is mathematically impossible, because the most important accounting service in this country, that of our Canadian monetary system, does not balance. We do not have enough capital to pay all those debts. Is there anything more ridiculous? It is the acme of aberration.

Does that mean that we have to print banknotes or issue enough credit to make up the difference? Those who believe that Social Credit would act in that way, as our critics seem to anticipate, have but a childish mind or they are totally ignorant of the scientific propositions of the Social Credit system or, again, in deliberately bad faith, which makes three kinds of rather unattractive people. To extricate ourselves from the system of bankruptcy, or social debit, in which we have sunk, the federal state, through the Bank of Canada, has to socialize credit as it socialized currency issues in 1935, by putting some order in the mess of banknote printing, which, at that time, was the exclusive privilege of the chartered banks.

Indeed, before 1934, that is at the time when the Bank of Canada was created, each commercial bank could print its own banknotes, which have been withdrawn from circulation, to the delight of collectors. From 1935 on, the chartered banks had to reduce gradually their banknote issues. In 1934, after the Bank Act was revised, that right was completely revoked, and all Canadians considered it quite normal. There was no revolution in our country, because it was just putting things in order where disorder had prevailed before. It is a remarkable fact that such evolution partly took place under a Liberal administration. Indeed, Mr. Chairman, the Liberals, like the Conservatives, therefore turned Social Crediters at that time, because they also abolished the gold standard in 1940, those two measures having been requested for a long time by the Social Credit party. And what other things does the Social Credit party advocate today? We should act just the same as in 1935 to 1945, this time by socializing credit through the Bank of Canada just as banknote issues were socialized then, for it cannot be accepted that bank and other credit be granted through the private sector of our economy. And, above all, it is not logical that "bank money" referred to by the economist Paul Samuelson should become a debt the moment it is created or issued. We cannot pay a debt claimed on top of the bank credit if a corresponding credit is not created or issued to fill the gap. That is the fundamental reason why debts amount to $58 billion in this country while there is only $15 billion in money supply to repay them.

Now, if we look back over the last 25 years, we note that the currency has increased from $250 million to $2 billion while the money supply was raised from $3 billion to $13 billion, which means that commercial banks created approximately $10 billion in bank money during that period to keep up in some measure with the economic growth of Canada. Well, in the future, under the financial system advocated by the Social Credit party, that creation of credit, of bank money, would be socialized by being handed over to the Bank of Canada, but any new issue would be debt free and done scientifically without having to increase materially—that is most important—the issue of credit or money, precisely because the circulation of money would be reversed so that consumption would be financing production.

Furthermore, through widespread public works which, in political economy, are called social capital expenditures, the government could provide employment for a very substantial labour force, thus enabling all Canadian family heads to obtain the daily bread and the decent livelihood they have a right to expect nowadays. It would not be a question, as our critics wrongly claim, of handing out money recklessly and of encouraging people to lie sunk in sloth. Quite the contrary, those measures would ease the

burden of welfare expenditures and the like and would put us on the road to full employment, so that, in view of the many projects awaiting implementation in all parts of the country, we can be sure that under a Social Credit government we could even experience a serious labour shortage. What is obviously holding up the carrying out of those projects is the fantastic amount of interest paid annually on the debts—over $2 billion—which has discouraged any effort to that effect. At present, any new credit or bank money issue is done directly through the producers, with the result that there is an increasing concentration of capital in the hands of a smaller and smaller group, now, it is consumption that should be financed first, but not the way it is being done at present by finance companies at the rate of 24 per cent.

Mr. Chairman, those proposals are acceptable to all the parties in the house and, if I may, I should like to call on members of the three old parties of social debit who are sincerely interested in changing our national economy "to put on the new man" as St. Paul used to say. On the eve of Christmas, I urge them very specially to abandon the old parties of social debit which have led our country into bankruptcy and join the Social Credit party which will lead Canada into an era of prosperity thanks to the wonderful opportunities of modern technique.

(Text):

Mr. Argue: Earlier today the Minister of Transport placed a statement before this house with regard to rail line abandonment and in the course of the discussion the hon. member for Burnaby-Coquitlam said something to the effect that I should know something about abandonment. I noticed the hon. member leave the chamber a moment ago. I wish he was in his seat, because I should like to remind him and his colleagues in the house that he and I both had the honour to represent an area in Saskatchewan, he in the provincial legislature and I in the federal parliament for a number of years. When he decided to leave the provincial field, it was he who abandoned the people of Assiniboia as a candidate for the New Democratic party, not I as a candidate for the Liberal party. I ran in my own constituency. I do not say he abandoned the constituency of Regina. Rather, the people of the constituency of Regina abandoned the hon. member, and he had to seek shelter elsewhere in order to get into this chamber.

[Mr. Cote.]

Now we are all on edge this afternoon wondering whether we are going to hear from the Prime Minister. Yesterday afternoon the Leader of the Opposition delivered a most constructive speech in which he put forward certain proposals which, if they had been accepted, would have helped to expedite the business before this house, proposals which would have helped us to get on with the legislation which the government claims is so important. The Prime Minister rose a few seconds before five o'clock. Your Honour took notice of the clock, but the Prime Minister wished to make a statement and insisted, as best he could in those difficult circumstances. An effort was made a few minutes afterwards—after the Prime Minister had endeavoured to speak—by the Leader of the Opposition, who said this as reported in *Hansard* at page 2837:

> Mr. Speaker, it should be possible to get these three measures through very quickly and I should like to suggest if they are through by half past five or a quarter to six we revert to interim supply.

To this the Prime Minister replied:

> Mr. Speaker, in view of the sudden change of front and change of conscience, that offer is no longer acceptable.

We concluded those items by a quarter to six. The Prime Minister did not accept that offer. One wonders whether the Prime Minister really wanted to speak yesterday afternoon, or whether he was more preoccupied in trying to play the role of martyr if he could pull it off. When the story got to the press this morning I suppose he came in this afternoon and said "Well, I have done the job. They are saying that I was stopped from speaking". The Prime Minister had the opportunity to speak yesterday afternoon, but he did not avail himself of that opportunity.

Some hon. Members: Oh, oh.

Mr. Argue: Then, of course, overnight something apparently happened to the Prime Minister's schedule. He was going to fly to Nassau, but Prime Minister Macmillan and President Kennedy had important discussions for which they needed additional time, and the Prime Minister's departure was very conveniently delayed for a number of hours. One would have thought that the Prime Minister, so anxious to speak yesterday afternoon and to answer the constructive speech of the Leader of the Opposition, would come into this house today and take the first opportunity of speaking. We are disappointed that he did not.

Mr. Churchill: You are just lucky.

Mr. Argue: The Minister of Veterans Affairs says we are lucky.

Mr. Churchill: I said that you are.

Mr. Argue: We would like to hear what the Prime Minister has to say. We challenge him to enter the debate this afternoon and tell us why the government has bogged down and has not been able to manage the affairs of this country in a more competent manner.

Mr. Rapp: You are the ones who prevented him from speaking.

Mr. Argue: If the Prime Minister would come in now I am sure that we would be delighted to hear him. He does not have to leave for a day. He has unlimited time and can speak for hours today. But the Prime Minister is sulking. He was not able to speak yesterday when he wanted to speak, and now he says that if he could not speak when we were to take up other matters, he is not going to speak at all. That is a rather childish performance, I suggest a rather juvenile performance, for the Prime Minister of this country. We are going away for a recess, but before we go we hope the Prime Minister will make some contribution to this debate.

We shall come back when the house reassembles to deal with important questions which we hope will be placed before this house. We have had a number of supply motions. We have had a number of want of confidence motions. I suggest that there is one question in the minds of the people of this country, and that is this. In the interests of good government and in the interests of democratic government we should have a government on the treasury benches that has a majority. The sooner the people of Canada are given the opportunity to deal with the situation which now prevails in this house, the better. We would welcome an appeal to the people at the earliest possible moment, as soon as the Prime Minister can gather the people around him who will encourage him to make this kind of decision.

We have had evidence in this house this session of the incompetence of the government, of the failure of the government to bring forward legislation in a regular manner which would deal with the pressing problems facing the country. The government has not acted in a way which would inspire confidence. The Canadian people have been told by cabinet ministers one thing one day and another thing another day. The Minister of Agriculture, who probably speaks more glibly than any other minister, has gone out and said there is a danger of credit losses on wheat sales. He has said "We want you to put up some money". He has said "I am having trouble with the cabinet. I cannot get these things through the cabinet. If you would help me by putting up some of the farmers' money, it would help me do a better job". Then he said "Oh, it is the opposition parties who are holding me up". He named two, and later said he had picked the wrong two, that it was another two.

The third reason for his difficulties, according to a report I have read, was that he said he was having trouble in the cities. The latest thing he came up with was when he said that there was a campaign against credit sales which was making it difficult, and that the campaign was coming from the island of Formosa.

I think the Minister of Agriculture has used every possible excuse or alibi for the proposals he has made, none of which has been accepted by any major farm organization as being workable. The chairman of the Canadian wheat board has turned down these proposals; he has said that he did not think they were workable in the international field. The Saskatchewan wheat pool has turned them down as not realistically workable. The stock of the Conservative party on the prairies in the last federal election was very high, but I suggest that the stock of the Conservative party on the prairies is not nearly as high today. Part of the reason that it is not nearly as high today is the confusion in the mind of the Minister of Agriculture.

Mr. McIntosh: Nonsense.

Mr. Argue: I would remind my friend from Swift Current-Maple Creek that the recent changes in the percentage of popular vote in the various constituencies of Manitoba as registered in a provincial election are definite proof that what I say is absolutely correct. I make the statement that if the Liberal party could come within six percentage points of the Conservative vote when the provincial party has been led by Premier Duff Roblin, the Liberal party will have far greater strength in the next federal election in Manitoba when the Conservative party is led by its present federal leader.

We have tried to get frank statements from the government about various policies. We think the government has very important decisions which should be made. We are not impressed by the competence of this administration. One of the matters which have been brought forward time after time in the present debate is the question of the Columbia river. It has been stated that the government bungled, that the government did not protect legitimate Canadian rights. There have been recent negotiations with regard to the export of Canadian oil to the United States. Certain negotiations were held the other day. The President of the United States some weeks ago issued a proclamation which the oil industry felt placed a severe limitation

on the amount of Canadian oil going into the United States market; that it provided a very severe limitation which would prevent any substantial increase in exports of oil in 1963. So a discussion took place in the city of Ottawa, and on Friday, December 14 the Minister of Trade and Commerce made a report to this House of Commons. In this report he gave us, in my judgment, no information. He said that the discussions had been useful and informative and had provided an opportunity for the United States representatives to explain the recent proclamation. He went on to say, as reported on page 2671 of *Hansard*:

> The two delegations noted that no change has been made in the overland exemption for oil which permits sales of Canadian oil in United States markets without licensing.

Then the hon. member for Ottawa West and I tried to get from the Minister of Trade and Commerce some further elucidation as to whether the proclamation by the President of the United States adversely affected the opportunity to increase exports of Canadian oil in 1963.

The minister gave us little information last Monday when we were asking these questions. I asked him a supplementary question, as found at page 2718 of *Hansard*:

> I have a further supplementary question. I wonder would the minister be prepared to say to the house whether, in the opinion of the government, the U.S. president's recent proclamation affecting oil imports in the United States does in fact place a limit on increases in the exports of Canadian oil to the United States?

The minister replied as follows:

> I would like to repeat to the hon. member, in answer to that question, part of what I said in the house on Friday last. I said:
> "The two delegates noted that no change has been made in the overland exemption for oil which permits sales of Canadian oil in United States markets without licensing."

The Minister of Trade and Commerce was not frank, in my judgment, with the House of Commons, he was not frank with the Canadian people. There had been negotiations between the government of Canada and the government of the United States, and the Canadian government had failed to get from the United States any relaxation of this recent order. In my judgment the strength of the Canadian government in negotiations such as these comes from an informed public and an informed House of Commons. But this government is so interested in politics and in hiding the facts from the Canadian people that the Minister of Trade and Commerce did not give us a frank statement in the house, and there is now no opportunity for Canadians in a forthright way to register their dissatisfaction with a proclamation which so severely limits our sale of oil in the United States market in 1963 and prevents in the future anything like the increase which we have been able to register in recent years.

I think there is every indication that this government is more interested in party political warfare than in doing a good job for the Canadian people. On a former occasion this session I pointed out that in the administration of the Prairie Farm Assistance Act in this country it had been made clear to P.F.A.A. inspectors that they would be required to do political work on behalf of the Conservative party, and that to those who have been hired into that organization it has been made clear that they are to be supporters of the government in office. This is a political machine, and it has been made a political machine by the Minister of Agriculture in the administration of this act.

I have information to the effect that Conservative members of parliament have been invited to and have attended meetings of the prairie farm assistance inspectors and have spoken at those meetings at schools in which the P.F.A.A. inspectors were being instructed in how to take crops reports. I say to this government that the P.F.A.A. machinery is or should be different from the Tory campaign political machinery, and that members of parliament from any party have no business being at such conferences and speaking in a political fashion at them. For various administrative posts of the government in connection with agriculture new people have recently been hired. In almost every instance they have been prominent Conservatives, and this seems to be an essential qualification.

In order to show what this government thinks of the ordinary administration of government and how it can be used in a political sense, may I say this. When the Minister of Agriculture wished to go to Regina some time ago, early in November, in order to speak to the Saskatchewan wheat pool, the Department of Transport plane was used by the minister; and on that plane for this junket were six Conservative members of parliament with a couple of wives for good measure. I see no evidence of anybody from any other political party. I do not think this is the use that should be made of a Department of Transport plane. I do not think this is a plane which should be considered by hon. members opposite as though it belonged to Conservative party headquarters, and that when it goes some place it should be loaded up with Conservative members of parliament in order to go out to do their political work.

That is another indication of the attitude of the government in using the machinery of government in a political way. However, they go even further. They believe that informa-

tion now coming from the government should not be available to the Canadian public generally and should not be available to the press generally, but should be available only to that section of the press which has shown that it supports the Conservative party. The Minister of Agriculture recently went out to Edmonton, and a reporter from the Edmonton *Journal* asked him to make a comment on negotiations with red China. The minister said it was pure speculation and declined to say more. However, in the Canadian Press dispatch we find the following:

> Later Roy Faibish, Mr. Hamilton's special assistant, said the minister might have spoken if the *Journal* had not criticized the government on the day Mr. Diefenbaker visited Edmonton during the federal election campaign.

We suggest that in a democratic country the government has no business to try to discriminate between newspaper media just because the editorial policy of one particular paper happens to support one party or another. That is a further indication that this government is interested not in fair play, not in a policy of disseminating information in a fair way, but says rather that if it is a Tory newspaper reporter who calls up, he gets information. Mr. Faibish went on to say this:

> But if someone from the Toronto *Globe and Mail* calls and the caller is known to be informed, he gets comment.

However, if it is from a paper that is not favourable to the government, it uses the iron curtain and brings it down over government or public information. I have in my hand a document which I think constitutes a serious indictment of the Conservative party. It comes from the headquarters of the Conservative party in the province of Saskatchewan. We know that the Minister of Agriculture is very close to the Conservative association in Saskatchewan. At their last executive meeting held in Regina he was in attendance and played a very prominent role. In order that this letter may be on record, Mr. Chairman, I should like to read it:

> Saskatchewan Progressive Conservative Party,
> Provincial Headquarters—McGowan Building,
> 122 - 2nd Avenue North, Saskatoon, Saskatchewan.
> Martin Pederson,
> Provincial Leader.
>
> J. D. Leishman, President,
> 802 Medical-Dental Bldg.,
> Regina, Sask.
>
> September 28th, 1962
>
> Dear Supporter:
>
> As you were selected to do the enumeration in your poll for the June 18th election, we would like to ask for your helpfulness again.
>
> Will you please check the enclosed voter's list, and indicate after each name, to the best of your knowledge, whether P.C., Lib., N.D.P., or S.C. The 1962 vote result is shown at the top of the list as a guide to select the various supporters. This is an arduous task, and even some names for each would be a great help.
>
> The voter's lists are going out to each poll in the province to ascertain these details, and your co-operation in returning the completed list as soon as possible would be greatly appreciated. An addressed envelope is enclosed for your use.
>
> Please indicate, where known, who the poll clerk was, also the scrutineers and workers in your poll.
>
> Thanking you very much for your assistance.
>
> Yours sincerely,
>
> Lawson W. Procter,
> Provincial Organizer.

Mr. Ricard: What is wrong with that?

Mr. Argue: Conservative members are asking, what is wrong with that? This kind of question indicates the mentality of hon. gentlemen opposite who seem to take the attitude that enumerators should be part of the political machinery of the Conservative party when these officials are appointed under the elections act and paid out of the public purse. In order to illustrate their belief that these people should be part of the Conservative political machinery the letter says it is being sent to every poll in Saskatchewan and it is addressed to, "Dear Supporter".

Mr. McCleave: Will the hon. member permit a question?

Mr. Argue: I believe that this is something that should not be done; I think it is a mistake. I believe this is a misuse of our democratic processes. These people are paid with public money and they should not be asked to inform on their neighbours, to give political judgments or to indicate the political persuasion of the people whom they enumerate and place on the voters list.

Hon. gentlemen opposite seem to think this is a very fair and proper procedure. They are interrupting—

Some hon. Members: Order.

The Deputy Chairman: Order.

Mr. Argue: Hon. gentlemen say this is fair, and I suggest—

The Deputy Chairman: Order; the hon. member for Vegreville.

Mr. Argue: Mr. Chairman, I have the floor and I do not think it should be handed to somebody else.

The Deputy Chairman: I am sorry, I was under the impression the hon. member was raising a point of order. If the hon. member is just asking a question, the hon. member who has the floor can refuse.

Mr. Argue: The hon. gentleman can ask his question when I conclude, and I will be happy to answer it. I believe this attitude of the Conservative party in Saskatchewan, which

has been condoned in this house, is a shameful thing and should not be supported by any party. It is a challenge to our democratic process. I can tell hon. members who are shaking their heads that some of the Conservatives in my riding, and in other places, have criticized this attitude.

In recent days hon. gentlemen opposite have shown that they feel the Conservatives should be using the machinery of government, not so much in the interests of the ordinary people of this country, but to manipulate things to further their own political ends. For this, and other reasons—

Mr. Valade: I rise on a question of privilege, Mr. Chairman. The hon. member who has the floor has imputed some dishonest motives to the members of this house. I think that is quite improper and he should correct his attitude.

Mr. Argue: Mr. Chairman, I said the government was endeavouring to use the machinery of government for its own political ends. I repeat that statement and I believe it is correct. My reasons for saying it has been placed on the record this afternoon. I refer to the use of P.F.A.A. inspectors who were told they must do political work in Saskatchewan; the use of an airplane of the Department of Transport for a junket for Conservative members; the assertion to the press, "We are going to give you a political blood test before we give you any public information", and now Conservative headquarters in Saskatchewan has the blessing of hon. members opposite in its endeavour to use its enumerators in the last election to inform on their neighbours. I suggest that is a condemnation of this government.

The Deputy Chairman: I think the hon. member for Vegreville has a question.

Mr. Fane: I should like the hon. member for Assiniboia to put on the record the name of the person to whom that letter was written, the letter from which he quoted.

Mr. Argue: I have no intention of informing on any particular person so that action may be taken against that person by the Conservative party. However, according to the terms of this letter itself, it went out to every single enumerator in the province of Saskatchewan. My hon. friend can obtain their names, because that is public information.

Mr. Nowlan: The hon. member knows the rules of this house and he knows that when he quotes from a letter or any document it should be tabled. My hon. friend has been putting on the record more political claptrap in the last half hour than we have heard in a week. Certainly, he should not be allowed to hide behind this anonymity.

Mr. Pickersgill: I want to say a word about this phony point of order raised by the minister.

The Deputy Chairman: Order.

Mr. Pickersgill: I am speaking to a point of order.

The Deputy Chairman: I believe the hon. gentleman is not obliged to put on the table a private document.

Mr. Nowlan: If he quotes from it he is.

Mr. Argue: I quoted it all; it is all on *Hansard*.

The Deputy Chairman: I think the hon. member is not obliged to put a private letter on the table. The hon. member for Fraser Valley.

Mr. Nasserden: Mr. Chairman, the hon. member for Assiniboia has made certain accusations, and amongst those accusations was one to the effect this letter went out to every enumerator in the province of Saskatchewan.

Mr. Argue: That is what it says.

Mr. Nasserden: I want to deny that. I want to say that not one of these letters went out in the Rosthern constituency which I represent. So far as I know, no such letter has been circulated in the province of Saskatchewan.

Mr. Argue: This letter is all over Saskatchewan. I have a copy of it in my hand and the letter itself says it went out to all enumerators, and that it is going out to each poll in the province of Saskatchewan. It is signed by Lawson W. Procter, provincial organizer.

The Deputy Chairman: Order; if all hon. members agree, we will recognize now the hon. member for Fraser Valley.

Mr. Patterson: Mr. Chairman, in the discussions that have taken place we gave the assurance that if the debate were to be concluded immediately we would not have any further speakers from this group. I should like to say we have a number who are very anxious to take part in this debate. As I have said, we were ready to forgo that privilege at the moment, but in view of the fact other members from other groups are proposing to carry on the debate, then we feel we ought to participate.

In rising to take part in the debate, Mr. Chairman, I should like the committee to consider for a few minutes a matter that has been under discussion on different occasions and which has to do with agriculture.

I have the privilege and honour of representing one of the major, if not the major agricultural area in the province of British Columbia and I would be remiss if, comparatively early in the session, I did not give some attention to this very important part of our community and economy. During previous debates we have had considerable discussion on various aspects of agriculture. We have thoroughly covered the credit facilities provided for this part of our economy, but while we recognize the importance of credit facilities to our farmers, these facilities in themselves are an indication of the fact that in the past the policies of governments in office were not such as to give the agricultural economy its fair share of the national income.

The farmers are finding it increasingly necessary to seek additional help, and perhaps more generous sources of capital, in order to carry on their operations. Sometimes we think that some of the problems have been resolved, and there are those who feel agriculture is moving into a position where it has little to complain about. Yet we still find that agriculture is caught in the squeeze between increasing costs on the one hand and decreasing returns on the other.

I have in my possession a copy of the brief presented by the Manitoba farmers union to candidates in the last federal election and it points out very clearly that the situation is far from resolved. The problems are still there and the farmers, instead of moving up to a better position, are finding that their net income is decreasing.

I well remember the Minister of Agriculture outlining on one occasion some of the objectives that must be realized by the farming community. He said the first objective for the farmer was to maintain his holdings, the second was to provide for the needs of himself and his family, and the third was to have adequate retirement provision. I think those objectives are not being realized. Recently I spoke to a farmer in the province of Manitoba who told me that for a number of years he had been living on the depreciation of his equipment and holdings, and I believe that is indicative of the position in which many farmers find themselves at the present time. This situation is an indictment of the present and past governments for failing to introduce policies that would bring to the farmers their fair share of the national income and thus enable them to solve their own problems.

The fact that there is a continuing decrease in the number of farms across the country indicates that many farmers have given up the struggle for survival and, even though there are those who have moved off the land voluntarily, and their farms have been incorporated into larger units, still a great many farmers are off the land because they found they were not able to survive economically.

Agriculture in British Columbia is widely diversified, and this is particularly true of my own area. We have practically every type of farm operation in it. With such a diversified agricultural economy our farmers are faced with all the problems involved in diversified farming, as well as endeavouring to continue the job of providing foodstuffs for this nation and other nations of the world. However, though sharing the struggle for survival, the figures would indicate that that particular province is faring perhaps a little better than the average across the country.

In the past I have criticized governments and administrations for legislation that only applies to certain areas and certain localities. For instance I remember several years ago, when I had the honour to represent Fraser Valley in this house, I pointed out that even though other parts of the country had been able to benefit under P.F.R.A., and the maritimes had been able to benefit under the Maritime Marshland Rehabilitation Act, there was nothing comparable to those acts covering the province of British Columbia. It is true there were isolated projects carried on under P.F.R.A. in British Columbia, but in general the benefits were not applicable.

Yet in spite of those representations about being denied such assistance, I am at present glad that at least we have some indication we will share in the benefits of legislation introduced more recently, and I speak especially of the ARDA program. The province of British Columbia is co-operating in that. It has already set up its committee. Particular projects are presently under consideration and we feel this is going to be of distinct benefit to us.

We also appreciate the fact that under the Farm Credit Act some of the producers in my area have been able to benefit. I am thinking mainly of poultry farmers and greenhouse operators, but I would point out there are still those engaged in various types of agriculture who are faced with an almost impossible position because of the fact that they have not access to adequate financing. For that reason I would urge that the government give continuing attention to the problems of agriculture in all its phases.

I should now like to refer to the disposal of agricultural products. I am proud of the fact that, down through the years, this group

has advocated what we believe to be a very adequate system for the distribution of agricultural products as well as other types of production. We have supported and continue to support the principle of the two-price system. We believe it is absolutely necessary that our own people have adequate purchasing power so that they can buy the products of our farms, our waters and our forests, because there is a vast, untapped market right here in our own country.

We believe that if the consumers, the citizens of Canada, had the necessary purchasing power they would be buying agricultural products instead of some of the substitutes that have been presented and are being presented to them at present. We also believe it is necessary for us continually to seek export markets for the disposition of our agricultural products, and for this purpose we have advocated the acceptance of at least a certain amount of the currencies of other nations.

Hon. members will recall that on many occasions we raised the question of the Bretton Woods Agreements, which has interfered with the traditional markets we enjoyed for many years. In fact there is a strong suggestion that we should reconsider our position so far as the Bretton Woods Agreements is concerned. I have a clipping from *The Producer* of October 18, 1962, which is headed "Pakistan would buy more wheat."

> A Pakistan government official says his country would buy more wheat from Canada but for the fact that it can buy U.S. wheat with its own currency while purchases made in Canada require payment in Canadian dollars.
>
> S. M. Akhtar, deputy director of Pakistan's agriculture department, said in Edmonton that Pakistan bought about 50,000 tons of Canadian wheat a year, compared with some 1,500,000 tons from the U.S.
>
> Mr. Akhtar, on a North American tour, described Canada's grain handling system as one of the best in the world. He commended the Canadian wheat board for its wheat grading program.

Mr. Chairman, I would suggest that anything that has contributed to the development of situations such as this should be given a second look. If other nations can engage in this kind of activity and dispose of their agricultural products in this way, why should we have to sit still and see our traditional markets go, and see those who want to buy from us unable to do so because of the restrictions that have been imposed? Therefore, Mr. Chairman, we believe it is absolutely necessary that we give consideration to this particular situation.

As I have said, I have the honour of representing an agricultural area very diversified in its nature. We have many problems that we would like to bring to the attention of the committee, but we are not going to do so at the present time because it is our desire to get this item through. But on other occasions we will have an opportunity of dealing more specifically with some of these problems that are related to my own area and, of course, to other areas across the country.

Mr. Clunis: Mr. Chairman, the year-end recess seems a fitting time to examine the accomplishments which have resulted from three months of deliberation here. I think perhaps we might look at it on the basis of what history books some years from now might record, if in fact there is anything worth recording. Perhaps some slogans could be evolved. It might be remembered that while we were here Canada was committed to a plan of play now and pay later. Young Canadians of another day may recall that in 1962 the government, with the help of the conservative Conservatives, made Canada the first nation in the world to operate on the monthly payment plan. But I doubt if these would really be worth recording.

It is true, as has been said, that never in our 95-year history has our nation been taxed without a plan of taxation, and certainly never since confederation has a government operated in this country so long without a blueprint of financial policy. These are not minor accomplishments, but perhaps historians will honour us more for formulating and implementing a new national policy, a policy that for want of a better name might be called taxation without information. But I doubt if any of these will be the real test of our stature.

It seems to me that our record, which surpasses all others, will be remembered for the number of questions that have been left unanswered. I do not have in mind, sir, the question period of written questions. I think these are the outward manifestation of an inner dissatisfaction, the uncertainty and disquietude of Canadians generally. This problem is not really a general one, Mr. Chairman; it is not really a question of supply or no supply, of estimates or no estimates, or even of budget or no budget. To think or speak of it in such general terms obscures the multitude of questions which earnest Canadians are asking. Day after day our business leaders, our editorial pages and the financial pages of our newspapers have asked these vital questions. Perhaps they have not made very good reading for the government. Maybe they have not got the message, so once more before the Christmas recess let us ask them here.

We are faced with a continuing deficit in our national account. Let us ask, how does the government propose to deal with it? Does the ministry propose to cover the deficit by reducing expenditures? This was the solution

promised on the night of June 24. If this is the solution, how is it to be done? What reductions are to be made? What reductions have been made? Are we to be denied the right to consider these proposals? Are they sound or unsound? Are they wise or unwise? Are they in fact in the national interest? Or another question is this, does the still secret cure lie in increased government income? Will the minister tell us that government income has increased? Has our economy regained its vigour over the past six months? Will existing tax sources produce sufficient income to balance our budget? If this is so, it would be pleasant to know now; it would be wonderful news at Christmas time and a gratifying Christmas message to take home. If this is not the minister's solution, does the government propose to raise taxes to pay for former financial folly? Will it be required to mention the unmentionable? Will it utter the suicidal phrase "increased taxes"?

If this be the solution, is the minister aware of the views of our business leaders, our economists and our tax experts? Does he recognize that our taxation system is totally unsuited to a growing nation in Canada's stage of development? Has the Prime Minister heard that our income tax levy is stifling initiative; that our corporation tax is rendering our industries less competitive, less able to capture a share of the export market? Has he been advised that the forced sale of Canadian-controlled industries is attributable to our succession duty law? Does he concede that family corporations are shopping for foreign buyers to avoid the forced sales which otherwise result when an owner dies? Does the Prime Minister really understand the sacrifice that a working Canadian makes when he pays his taxes?

Is the minister in agreement with our financial leaders, that tax and monetary reform cannot wait for a royal commission? Has he overlooked the two or three years required for investigation and the subsequent time necessary for implementation; a matter of three years, usually, at the very best? Or, as an alternative, does the minister propose nothing? Does he intend to sit and hope that somehow the deficit will correct itself; that somehow things will get better? Finally in this regard, Mr. Chairman, does the minister not know what the government is going to do about our deficit? Is there an insolvency of ideas? Has the oracle not spoken? If the minister has no information at this time about the budget deficit, and if these answers, like so many others, are to be announced at the proper time, then may I ask, what about our imbalance of foreign trade? What proposals has the government of Canada for the long term solution of this problem? We are advised that the import-export gap grows wider. Even as our exports edge forward, the cost in Canadian dollars of our imports grows even faster. This, of course, is the inevitable result of dollar devaluation on a nation of importers. The new price tags of devaluation and austerity have now been attached to the goods on the shelves. The proof, if proof is required, is that we now have the highest cost of living index in our history.

What medicine does the minister prescribe for these ailments? Are we to put off the evil day by relying on foreign loans? Each time the day of reckoning arrives are we to seek to borrow again and again? How long can we continue to interest these foreign investors? How long can the balance of payments account bear the burden of high interest rates on foreign borrowings? The minister recognizes, I am sure, that already one tenth of our income is contracted to pay the interest on this nation's debts.

If the minister does not propose loans as the answer, what other solution has he in mind? Is the government depending on provincial trade crusades whose real effectiveness no one can assess and, which, if successful, would take years to provide necessary relief? Or will the government ultimately recognize the hard facts of our economic life? Will fearless leadership come forward and tell us seriously and clearly what we believe we already know, namely that we Canadians enjoy a standard of living beyond the nation's present capacity to supply—that we in Canada are enjoying a standard of living made possible by foreign borrowings? Shall we be told that we who have become relative to our population, the largest importing nation in the world, must give up in this generation many of the imported luxuries and the foreign travel to which we have grown accustomed?

Devaluation was inevitable under this government. But it cannot be repeated. High tariffs and the violation of our government's agreements under GATT cannot recur. If this is so, should we not put it up squarely and courageously now? Should it not be made clear that over the immediate term, and until policies which create the proper atmosphere in which the efforts of government, labour and management may combine have been introduced and are in effect, we Canadians must make some personal sacrifices? Must not this message now go out: Buy Canadian? Must we not say: be selective; if you need goods not wholly Canadian, then select those which have the greatest Canadian content? The chief criticism directed against this government is not one based on its past shortcomings. It is, rather, that it lacks the very vision of which it boasted—that it lacks the courage to

admit its mistakes; that it lacks the courage to call on our people to do what they must do.

These are some of the vital questions which remain unanswered. A thoughtful article in a recent issue of *Maclean's* allotted 40 months for the conception and implementation of saving legislation. Three months—three profitless months—have now gone by. It is procrastination, not the opposition, that steals our time. As we go home, one final question will echo in the minds of all of us who sit here. I suggest it will be the cry of Job—"How long, O Lord, how long?"

(Translation):

Mr. Rondeau: Mr. Chairman, there are many other things that could be said on that point. On behalf of my party, I wish to say that we are pleased to co-operate with the other groups this afternoon and to close the debate on interim supply so that the house may get on with the urgent business that should be concluded today, before the adjournment.

(Text):

Mr. Knowles: I have a couple of questions to put to the Minister of Finance and since he is in the chamber I think I might put them now.

Mr. Nowlan: Would it not be better for us to carry the resolution? Then the hon. member could put his questions on the schedule. I think we might make progress to that extent. I put this out simply as a suggestion.

Mr. Knowles: I was about to say that before I put my questions I had a word or two I wanted to say. So I will say what I have to say and save my questions until we are in committee after the bill has received second reading.

Even at the risk of being accused of offering an unnecessary lecture there is something I should like to say at this time. I speak as a Canadian who thinks that this institution of parliament is one of the finest ways which has been devised for conducting the affairs of a society such as ours. I found myself yesterday in almost complete agreement with the opinions expressed by the Leader of the Opposition in his speech between about 4.30 p.m. and five o'clock. It is natural I should agree with what he said, because there was a certain similarity between his remarks and those I had made a few days earlier. I think the government has to consider seriously this whole question of the extent to which it is running things by executive action and not according to parliament the rights that belong to it. When this year 1962-1963 is over, the number of things which were not allowed to go before parliament will make quite a story. This was the burden of my remarks last Monday. This view was also expressed by my leader, the hon. member for Burnaby-Coquitlam, on Tuesday. It was expressed—and expressed well—yesterday afternoon by the Leader of the Opposition. But I must say I was equally horrified by what happened when the Leader of the Opposition sat down. Just as I have said to the members of the Conservative party that they should do some serious thinking about the effect of some their actions on the institution of parliament, so I say to the members of the Liberal party that when they act like an unruly mob and think they can come to power by shouting loudly, by denying freedom of speech after protesting that the rights of parliament have been curtailed, they, too, are doing irreparable damage to the institution of parliament.

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

Mr. Knowles: Gladly.

Mr. Pickersgill: Does the hon. gentleman think that some members of this house should be allowed to disregard the rules which are imposed on others?

Mr. Knowles: I really think the hon. member for Bonavista-Twillingate would be well advised not to ask questions like that or to pursue what happened yesterday.

Mr. Pickersgill: I will be glad to pursue it.

Mr. Knowles: In the name of the Liberal party the Prime Minister was given unanimous consent by the Leader of the Opposition. He was given unanimous consent, and then he was heckled in ways, according to the record, which suggested that some members of the Liberal party, some of whom have been in that party for quite a while and some of whom have only recently joined it—which indicated that they did not want the Prime Minister to carry on.

I have on my desk the *Hansard* for June 1, 1956, and I have been looking at two or three pages, looking at the account of all the noise, all the rabble and the strange singing that went on that day. The reason I have been looking at that *Hansard* was because what happened yesterday reminded me of it. I am not taking the Conservatives off the hook. I think they are doing untold damage to parliament by taking under executive control too many of the functions which belong to the institution of parliament itself. But, Mr. Chairman, along with the rights of parliament in terms of control of the purse strings and the right of dealing with matters of policy also go free speech and fair play. The rule of law, not the rule of the mob which we had here last evening at five o'clock, should govern our proceedings. Yesterday afternoon I had the privilege of having a group of high school students as visitors in the gallery.

They were here during the early part of the afternoon. I spent a few minutes with them in a committee room answering their questions, and then they went home. I am glad they went home and did not see that performance.

Mr. Chairman, I know I run the risk of being accused of delivering a gratuitous lecture or an unnecessary sermon, but I submit that what I have expressed is, in our better moments, the view of all of us in this house. I would ask that we think about this carefully. It is the view of Canadians generally. This parliament is an important, sacred and valuable institution; let us not damage it, in the way it has been damaged this session, by not letting decisions be made by parliament, or by allowing to happen the things I talked about in my speech on Monday night, or by the kind of rowdy and unruly demonstrations which we had yesterday afternoon. The people of this country are looking to us to uphold the traditions of responsible, free, democratic government. An election is coming. It may be sooner or it may be later, but it will be pretty important when it does come that we go to our constituents, those of us who are here now, with the others who are nominated, as men and women who will uphold all the rights and privileges of parliament, particularly those which have been damaged in this session by both sides of the house, and uphold the traditions which are ours from across the years. Mr. Chairman, I plead that we think seriously about these things. I did not rise to deliver a blast at one side or the other. I rose rather to express what might be called a voice of conscience over what happened yesterday, and to suggest that we try to recognize our responsibility to maintain all of the traditions of parliament.

Mr. Nowlan: Mr. Chairman, I take it that everyone has spoken. I know that I am not expected, and that the committee would not expect me, to reply to all of the points which have been raised. We have had a wide-ranging discussion on matters such as the Columbia river and the rights of minorities, as was discussed yesterday afternoon. Reference is now made to the privileges of the House of Commons. This has been a rather lengthy debate—I am sure I will be forgiven for saying that—but I think on the whole it has been a very worth-while debate. I am sorry that parliament does not have more time to deal with these matters. A great deal of controversy has been injected into the debate, but that is only natural in the political arena in which we live. When the hon. member for Assiniboia suggested this afternoon that the government was guilty of politics throughout this debate, I only hope that the Canadian people will read *Hansard*, and particularly his speech, because then they will decide where the political emphasis has been during the debate.

We did have this unpleasant, unfortunate incident yesterday afternoon, Mr. Chairman, which I hope will not occur again. I am sure that it will not if leadership can prevent it. As the hon. member for Winnipeg North Centre said, it was reminiscent of another day in 1956, the alleged "black Friday", when we saw incidents of the same nature. But we have not seen them since.

I am sorry that we have to deal with this matter on a 30-day supply motion; I would much rather have had a 60-day or 90-day motion. We discussed it earlier and thought this was a better way to deal with it. This debate has been longer than I expected, and there will be others in the future. I assure hon. members that after the Christmas recess we will be going into supply and opening up the departments, reviewing estimates, and also bringing forward legislation just as rapidly as possible. I do not want to take further time of the committee now, but I would hope that after the longest debate ever, I think, on a 30-day supply motion we might pass this resolution, get into the bill and dispose of it very quickly.

The Deputy Chairman: Shall the resolution carry?

Some hon. Members: Carried.

Motion agreed to.

Resolution reported and concurred in.

WAYS AND MEANS

INTERIM SUPPLY

The house in committee of ways and means, Mr. Chown in the chair.

The Chairman: Order, house again in committee of ways and means.

Mr. Nowlan moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1963, the sum of $330,089,511.93 be granted out of the consolidated revenue fund of Canada, as set forth in the resolution concurred in this day in the committee of supply.

Mr. Chairman: Shall the resolution carry?

Mr. Pickersgill: Not until I have put one question to the minister. My question is this: Does the minister know where the money is coming from?

Mr. Nowlan: I am fairly confident that I can find the money, Mr. Chairman.

Motion agreed to.

Resolution reported and concurred in.

Ways and Means

Mr. Nowlan thereupon moved for leave to introduce Bill No. C-105 for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1963.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read the second time? By leave, now?

Some hon. Members: Now.

Mr. Nowlan moved the second reading of the bill.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Chown in the chair.

On clause 1—*Short title.*

Mr. Chevrier: There is one question I should like to ask, if I may. The interim supply document that was circulated at the outset contained a number of items of the estimates. However, as I look at page 3, schedule A, I see just three items and the bill seems to refer to more than one schedule. Is part of this bill missing?

Mr. Knowles: See clause 2.

Mr. Nowlan: There is nothing missing, Mr. Chairman. The resolution, paper or document to which my hon. friend referred exempted certain items which are not included in the bill, "save and except". That is what made the resolution look longer than what he was looking for. This was deliberately excluded from the bill as the moneys had already been voted. We therefore did not include them in the bill.

Mr. Knowles: By special invitation of the minister I am going to ask him a question at this stage.

Mr. Nowlan: An unwilling invitation.

Mr. Knowles: In tonight's *Journal* I notice there is a report which says that I tried yesterday to get certain information from the minister and that I was unsuccessful for the second time. The *Journal* is out by 300 per cent or 400 per cent. I was unsuccessful yesterday for about the sixth time. As the minister knows, a week ago last Monday he made certain announcements about increases in salary for the public service and there followed for the next few days certain questions. On Thursday in particular, a week ago today, I asked him if he could tell the house whether there were any categories of the civil service for whom the civil service commission had recommended pay increases but who were not given such increases by the government. He told me last Thursday that he did not happen to have the information but that he would get it later. I asked him again on Friday and he told me he would try to produce it early this week. I asked him on Monday but he did not have it. I asked him on Tuesday and he did not have it. I asked him on Wednesday and he still did not have it.

May I say, Mr. Chairman, that the present minister is not that kind of minister. He is really in command of his job. I am sure that he knows the answer to this question, and I do not know why he has kept putting me off. I could find other questions to ask on the orders of the day. I am not obliged to keep repeating the same one. I ask him now to answer this question, and to clear this matter up. The reason I do so is this. Not only do many civil servants feel that they were dealt with unjustly in that they were not given increases, but there is a strong feeling that the minister has tried to put the blame elsewhere than on the government when, in fact, that is where it should be placed. A week ago Tuesday, when the hon. member for Hull asked a question about certain groups which had not been given increases, the Minister of Finance blamed the pay research bureau. The next day, in response to my question he blamed the civil service commission. My understanding is that there are a number of categories of classified civil servants for whom recommendations were made by the civil service commission on the basis of reports to it by the pay research bureau, which the government on the advice of treasury board did not implement. I understand as well that there are some instances in which pay increases were recommended by the civil service commission, but that the government on the advice of the treasury board, which after all is the Minister of Finance, scaled down those recommendations.

As I say, there are two things here which I think constitute real grievances. On the one hand many civil servants did not get their increase. On the other hand, the minister has sought to leave the impression that the blame rested on the civil service commission or the pay research bureau. I therefore ask him now this question: Were there such categories of civil servants for whom recommendations for an increase were made but were denied by the government? If so, how many and what is he going to do about it?

Mr. Nowlan: Many changes were made, of course, in some of the recommendations which were brought forward. When I said, "the civil service commission" I was referring, of course, to the pay research bureau which operates for the civil service commission in

making the survey. I may also tell my hon. friend that there were quite a few civil servants for whom the civil service commission, not the pay research bureau, recommended no increase, and for whom the treasury board recommended an increase. As my hon. friend and all hon. members know, this salary increase is not a matter of right. It is not a statutory increase like some of them every year. It is an evaluation of the rates of pay in industry or in private employment; and that is why you have this pay research investigation made.

It develops, of course, as it always would, I presume, in dealing with a huge number; and when I say, "huge number" what I mean is that there are about 60,000 in this one category to whom I think my hon. friend has reference. There are over 100,000 altogether, of course, as he well knows. It is a tremendous task to make comparisons of the rates of pay which will be equivalent in private industry and to which salaries should be compared, after making some allowance for the fringe benefits. The reason I have held this thing up is this: I appreciate the very flattering comments by hon. friend made with respect to myself. I hope they are deserved. I am not going to argue with him about the matter at any rate. He has referred to categories. I am not sure as to the different categories. Adjustments were made in various groups within a category. That is why I have not been able to produce the information in detail, as the hon. gentleman undoubtedly expected I would do and as I will do. However, particularly owing to the fact that I have been sitting here off and on for seven days or eight days and was sitting in treasury board for four weeks prior to that time, I have not been able to go over the voluminous mass of material which is involved in this pay review. There were undoubtedly several thousand who, it was found, were getting paid more than they would be getting paid if they were working in private industry or private employment. That number is not large in proportion but there were several thousand altogether; perhaps 3,000, 4,000 or 5,000. Undoubtedly, they were disappointed. Undoubtedly, these are usually the under ones, the ones who are moving up from grade 1, or grade 2 to the higher ranks.

The civil service today is a profession. It is not a lifelong job where you come in as a tenant for life and hold on to the same position throughout life. You are supposed to come in, write your competitions and advance. It is unfortunately true that in grade 1 and grade 2 the rates are obviously lower than in others where experience is necessary. There were classes or grades within the classes—as I said, that is one thing about which I am not sure—where the pay research bureau found and afterwards the review by treasury board found where adjustments were either substantiated or not. These grades should not be touched or the individuals within the grade should not be touched at the moment. I will have a detailed breakdown for the hon. member as soon as I have a chance to review this whole situation. However, I certainly have not had an opportunity to do it up until today.

Mr. Pickersgill: Five o'clock.

Mr. Chevrier: May I ask one question.

Mr. Knowles: Mr. Chairman—

The Chairman: Is the hon. member for Winnipeg North Centre continuing on the same subject?

Mr. Knowles: I do not wish to get into the same trouble that we got into yesterday. What are we doing about the fact that it is five o'clock?

Mr. Pickersgill: Five o'clock.

Mr. Churchill: I would request that we carry on and complete interim supply and then that we adjust ourselves accordingly to what other business we might do. This procedure will be of great assistance to members of the other place. The other matter of business with which we would really like to deal relates to the world's exposition bill which would make a very fine wind-up to this part of the session.

Mr. Chevrier: Mr. Chairman, in so far as we are concerned, it is five o'clock and it is private members' hour. However, if we had the assurance that a full hour would be given to us at a later hour—

Mr. Martin (Essex East): Today.

Mr. Chevrier: —today, we would have no objection to proceeding now to get interim supply through, and the bill which my hon. friend the Associate Minister of National Defence would like to get through, or any other business that might be disposed of.

Mr. Churchill: Supposing we do that, and over the supper hour I will confer with the genial member for Essex East—

Mr. Martin (Essex East): I will tell you right now that it is understood we go on at nine o'clock with the motion for the production of the legal opinion, otherwise we do it now.

An hon. Member: What about the Christmas cheer?

Mr. Chevrier: If I may say so, Mr. Chairman, the suggestion made by the hon. member for Essex East is what I had in mind earlier, although he has put it more forcefully than I did.

I think the point the hon. member is raising is that if this discussion continues he might lose out on that hour during which the motion might be discussed. The suggestion now is to provide that hour and make sure it is not lost. I think we would be willing to co-operate on the distinct understanding, then, that he might go on not later than nine o'clock, so that he might have a full hour, from eight to nine or nine to ten.

Mr. Churchill: I feel in a very co-operative mood and I hoped the hon. member for Essex East would be in the same frame of mind. Despite the forcefulness of his suggestion, upon which I do not want to comment, we are content to proceed now as I have suggested and take the motion for the production of papers at nine o'clock.

Mr. Martin (Essex East): Perhaps the Minister of Justice will give us the opinion and save all this time.

The Chairman: Is it agreed that the committee follow this procedure?

Some hon. Members: Agreed.

Mr. Knowles: I thank the minister for his offer to get all of the statistics and detailed information that are called for by my inquiries. I hope that he will have it by the time we come back on January 21. As a matter of fact, Mr. Chairman, although we usually like to have things produced in this house first rather than in the newspapers, if the hon. gentleman can give this kind of information to the civil service organizations even before we come back, this would be quite satisfactory to all of us. I believe that the civil service organizations are asking for even more, and are asking for the recommendations that the pay research bureau made. In fact, they are asking for some consistency in the matter of letting them have these reports.

In this general field, Mr. Chairman, there are two other things I want to say, and I might have another question after that. The first is that, no matter what explanation the minister gives, no matter what assurance there may be that matters will be dealt with at some future date, I think it is most unfortunate that a number of these groups in the lowest categories had to be missed. I think it is particularly unfortunate that postal employees, along with those of customs and immigration, were left out.

Mr. Nowlan: My hon. friend knows, I am sure, that they were not left out. They were not included in the review which had taken place, but they are being reviewed now in the next class. It is not the omission of them, but it is a matter of the review not being completed.

[Mr. Chevrier.]

Mr. Knowles: I think I appreciate the semantics, but being left out or not being included are really the same thing. Either way, they did not get the increase now when other public servants are getting the increase. I realize that it is going to be retroactive, but I say it is most unfortunate that some of these groups that needed it most have to wait so much longer. In view of the fact that this whole question of the pay freeze was put on on June 24, in view of the fact that there were representations made by various civil service organizations and the trade unions involved and representations on the floor of this house, it seems to me it would have been possible to have all the reviews made so that when the announcement finally was made on December 10 it would have covered all groups.

All I can plead now is that the minister do his best to speed up the completion of this job, the adjusting of the wages and salaries of all public servants. The other comment I wish to make, Mr. Chairman, is to remind the minister that the new machinery, the so-called consultation, really is not working very well. It is not helping the morale of civil servants. I would ask the government to give very serious consideration to the request made by civil service organizations all across the country for full collective bargaining rights for the organizations chosen by public service employees. I congratulate the organizations themselves on having come, even more now than they had some time ago, to the realization that this is necessary. I think they did right in accepting in good faith the proposals for consultations that were made when the last amendments to the Civil Service Act were made. They have found, through experience, that that arrangement is not good enough and they are now asking for the same right that many other employees in Canada have, in many other sectors of our economy, full collective bargaining. I urge this government to give serious consideration to this important request being made by the civil service organizations.

Mr. Chevrier: There is just one question I should like to ask the minister. It has to do with the $50 million item which was in group "A" of the supplementary estimates under vote 213A, the interim payment for the royal commission on railway matters. I cannot see it here, and I understand it has been taken out. Can the minister tell us why?

Mr. Nowlan: My hon. friend who prepared the original estimates says that when we revised the estimates it was taken into the main estimates.

Mr. Chevrier: The point is, it was voted upon last month and this bill should contain one twelfth of that item of $50 million contained in vote 213A. I do not see it in the bill or in the schedule, and I just wanted to know why it was not included.

Mr. Knowles: Is it not in clause 2(c) of the bill?

Mr. Chevrier: The hon. member for Winnipeg North Centre points out that it is referred to in clause 2(c) of the bill, but it is clearly set out there that it is exempted and not contained.

Mr. Grafftey: Eleven twelfths have already been approved.

Mr. Chevrier: My question is then, why is the one twelfth not included in the bill?

Mr. Nowlan: Well, this is the eleven twelfths up to date. The hon. member will remember there were certain items in the paper I passed him last week when we started this rather long performance, which were "save and except," and there were various items on which exceptions were made.

Mr. Pickersgill: Why was it voted earlier?

Mr. Nowlan: It was a month ago.

Mr. Pickersgill: And I ask why, because $50 million is a lot of money and surely the minister knows why it was voted earlier?

Mr. Chevrier: Why was it voted earlier and not included in the bill now?

Mr. Pickersgill: Surely the minister can tell us why the $50 million is not in this?

Mr. Nowlan: Because the $50 million was voted.

Mr. Martin (Essex East): I suspect the Minister of Justice has something to do with it.

Clause agreed to.

Clauses 3, 4 and 5 agreed to.

Schedule agreed to.

On the preamble.

The Chairman: Shall the preamble carry?

Mr. Knowles: Before the preamble carries may I ask the minister when he plans to bring down his next interim supply bill?

Mr. Nowlan: After consultation with the house leader and after the Christmas recess.

Mr. Knowles: Then assuming the house does not come back until January 21, and since February will be just around the corner there will not be many days until the minister needs money for February. In other words he will be coming to the house for the eleventh twelfth. May I ask him whether he expects to move to go into supply shortly after we come back?

Mr. Nowlan: I am not the house leader, but I would expect I would be moving to go into supply shortly after we come back. We have already opened up a certain number of departments and I am sure the committee will want to co-operate and pass those estimates. Then we will have to bring in further supplementary votes to open all other departments, and I suppose that action would be taken fairly soon.

Mr. Chevrier: Will the minister do it per saltum?

Mr. Pickersgill: Because we have not had much time to scrutinize it I ask the minister to give us a categoric undertaking that this bill does not contain the total vote for any item whatever in the annual expenditures for 1962-63?

Mr. Nowlan: I gave that undertaking when I moved the resolution.

Mr. Pickersgill: Not with respect to the bill.

Mr. Nowlan: Then I am very glad to repeat that undertaking. It does not contain the final vote on any individual item nor does it preclude discussion on any matters when we are discussing the estimates.

Preamble agreed to.

Title agreed to.

Bill reported and read the third time and passed.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Government House,
Ottawa, December 20, 1962

Sir:

I have the honour to inform you that the Honourable Patrick Kerwin, Chief Justice of the Supreme Court of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber today, the 20th December, at 9.45 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
A. G. Cherrier,
Assistant Secretary to the
Governor General.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, before you leave the chair—

Mr. Speaker: One moment. For the purposes of the *Journals* it should be agreed that it is now five o'clock and that the agreement

entered into in committee be ratified by the house, because actually the committee of the whole has no right to consider the order of business of the house. I think now that the Speaker is back in the chair the arrangement that was agreed on at five o'clock in committee should be confirmed.

Mr. Chevrier: I have a point to make, Mr. Speaker. The agreement was that the motion of my hon. friend for Essex East would carry on for an hour between nine and ten o'clock, or eight and nine o'clock in accordance with where we had advanced our business. But now Your Honour has just read a message from the other place which indicates we are going to be called there at 9.45. On the understanding that we be given the full hour does the house leader have any objection to that hour running from 8.45 to 9.45?

Mr. Churchill: I have no objection.

Mr. Speaker: Then it is agreed instead of nine o'clock it will be 8.45.

Mr. Knowles: Could we down at this end of the chamber be told what is agreed to?

An hon. Member: 8.45 to 9.45.

CANADIAN WORLD EXHIBITION CORPORATION

MEASURE TO PROVIDE FOR THE APPOINTMENT OF DIRECTORS, GRANT OF FUNDS, ETC.

Hon. Gordon Churchill (for the Prime Minister) moved the second reading of Bill No. C-103, to establish the Canadian World Exhibition Corporation.

Motion agreed to and bill read the second time.

Mr. Chevrier: Mr. Speaker, I understand the minister wants to make a statement on this. I expect he will.

Mr. Speaker: We have given second reading. I do not know that—

Mr. Pickersgill: I think that was done inadvertently.

Mr. Speaker: We could revert to the discussion before second reading, or it could be done in committee. However, I do not wish to speak for the committee.

Mr. Chevrier: Mr. Speaker, the understanding was that the minister would carry on with the statement today, and I would hope we could get consent for that purpose.

Mr. Sevigny: Mr. Speaker, if it is agreeable to the hon. member I could make my statement on clause 1 of the bill in committee.

Mr. Chevrier: I think we would prefer to have it with Your Honour in the chair.

[Mr. Speaker.]

Mr. Speaker: Very well.

(Translation):

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, I am most happy to have this opportunity of putting before the house a bill entitled: "An Act to establish the Canadian World Exhibition Corporation".

In view of the national character of this magnificent project, I intend to make my remarks in both official languages of the nation, French and English. And I also intend, because of the short time at our disposal, to keep my remarks at a minimum.

This world exhibition project may be the most extensive economic undertaking of Canada since confederation. This is a project of an extraordinary scope which will certainly contribute to the economic and cultural development of the Canadian nation.

(Text):

Mr. Speaker, we were privileged indeed last November 13 to receive, after many deliberations, authority from the bureau of international exhibitions to hold in Canada, on the occasion of our centenary, a world's exhibition of a No. 1 class. We had already in 1959 solicited from the bureau permission to hold this exhibition in Canada in 1967. However, at that time the Soviet union also wanted to hold an exhibition in Moscow in 1967 in order to commemorate the fiftieth anniversary of their revolution. For that reason a vote had to be taken and unfortunately Canada lost by one vote. However, those who were then connected with this project—and I was one of them—had the impression that there was still a chance for Canada to eventually secure that exhibition which we considered necessary in order to celebrate in proper fashion the hundredth anniversary of our confederation. We therefore never lost hope and we kept in contact with the bureau in the hope that something would happen which would permit us to have this exhibition.

The event for which we were hoping eventually came about, and in due course the U.S.S.R. announced that they were renouncing, for reasons of their own, the permission given them to hold this exhibition in Moscow in 1967. This permitted us to renew our application to the bureau of international exhibitions. We received the co-operation of the officials of the bureau and the various personnel of the Department of External Affairs, who actually succeeded in securing the concurrence of the 30 member nations of the bureau of international exhibitions. Thus on November 13 we managed to get a decision by acclamation that we could hold this

exhibition in Montreal. This exhibition must of necessity be a national project and we hope that the provinces of our nation will co-operate so that each province will have a chance to show at this magnificent exhibition the nature or our projects and the evolution which has taken place in every part of Canada. With the co-operation of all provinces we shall be in a position to show to the world a picture of the greatness of our country.

In 1967 the eyes of the world will, without doubt, be fixed on Canada. We must of necessity unite and give to the world a true picture of what is beautiful and what is great in Canada, whether it be in the field of the arts, science or agriculture. We must show to the world the progress we have made in every possible activity. The fact that we expect at least 50 nations to come and build pavilions here and exhibit their wares will mean that all Canadians will get to know better the other nations of the world. It is true that with exhibitions of the type which will be held in Canada in 1967 the nations of the world will get to know each other better, appreciate each other better and thus may the foundation be created for a sure and lasting peace. There is no doubt that the best way to preserve peace and to secure peace is to talk, to get to know each other, to get to appreciate each other. By grouping the main nations of the world here in 1967 Canada will thus play another role in its constant quest for peace in our time.

(Translation):

Montreal is rightly considered as the Canadian city most suited for the kind of world exhibition we have in mind.

That is why the federal government decided that the exhibition would be held in the Canadian metropolis. It is obvious that the cosmopolitan and international character of Montreal, its bilingual feature, as well as the exceptional development that is taking place there, are all factors which contribute to make our city the ideal site for an exhibition of this kind. But we do not want the national exhibition to be considered as a provincial exhibition or the exhibition of one city. It is imperative that all Canadians see the 1967 world exhibition as a national venture to which all Canadians from coast to coast will have contributed through their individual or joint efforts, so as to realize that it is not only Montreal's or the province's exhibition but a truly national exhibition.

I should like to thank especially those who have co-operated with us in the carrying out of this tremendous project. I should mention in particular His Worship Mayor Drapeau who has always given us his support. Our joint efforts have resulted in this much hoped for outcome.

When the holding of this exhibition was finally decided, it was agreed that the best way to administer an exhibition of this type would be through a crown corporation. The purpose of the legislation now before us is precisely to set up such a corporation. It was not easy, of course, to agree on all matters pertaining to the establishment of this crown corporation, mostly because three governments were involved. First of all, the federal government is directly responsible for this exhibition to the Canadian people and to the international exhibition bureau; then, there are the provincial government, which has generously contributed the sum of $15 million to this magnificent project, and the municipal government of Montreal, with a contribution of $5 million to ensure the success of the exhibition. I think the time has come to reveal the amounts subscribed by the various governments: the federal government, $20 million; the province of Quebec, $15 million; the city of Montreal, $5 million.

It is obvious that, to ensure the success of such an undertaking, the corporation has to be set up in such a way that everything will be run jointly by the various governments to which the corporation is responsible.

I must say that the many and lengthy meetings which took place were always conducted in an atmosphere of co-operation and understanding, and with the firm intention of seeing that magnificent project achieve the desired success.

A while ago, I thanked Mayor Drapeau. I now wish to thank Mr. Andre Rousseau and the Hon. Gerard Levesque, the Quebec minister of trade and industry, for their co-operation in all our discussions.

It should be pointed out, while we are studying the bill, that the operation will be carried out in such a way that each interested party will share equally the responsibility of appointing commissioners. The commissioners, who will constitute the guiding body of the project, will be appointed by the governor in council, that is to say, by federal authorities, after discussion and agreement with the provincial authorities. Twelve directors will be appointed to the board of

the corporation. Six will be selected by the federal authorities and six by the provincial and municipal authorities. They will work in an atmosphere of mutual co-operation.

It was necessary to do so because, of course, the minister responsible to the federal government for that exhibition will have to account to parliament for the operations of the corporation. The minister of commerce and industry for the province of Quebec, Mr. Gerard Levesque, will also have to explain to the legislature the uses to which the money will be put by the corporation.

The mayor of Montreal will have to account to the members of the city council for the expenses made by the city.

Therefore, it is truly a joint undertaking. I wish to say that we all intend to put it above political considerations that may arise. We want it to be a joint undertaking in which everyone will take part whatever the political party to which they belong.

Mr. Speaker, I must say that the people in general find it rather difficult to understand the gigantic scope of that undertaking. Therefore, in order to better illustrate my thoughts, allow me to say that we expect that 50 countries will have pavilions to show their exhibits and will take part in the activities of the exhibition in Montreal. We think that the construction of the buildings needed for all the foreign countries will cost approximately $200 million.

It will be necessary to build roads and even tracks for a monorail. It will be necessary also to build sewers and water works to the exhibition site that will cover 800 acres, according to the report submitted by experts on that matter. Those figures are based on surveys made by specialists in that field who have taken into account what happened in the case of other world exhibitions.

We expect to welcome about 40 million people during the six months of the exhibition. If each visitor spent an average of $50, it would mean that Canada would be getting an amount of $2 billion it would never have had without the Montreal world exhibition.

Mr. Speaker, we expect that we will have to build theatres and sport stadiums. We will also have to build pavilions for exhibits of scientific and artistic progress throughout the world. In fact, we have chosen the motto "Man and his World" for this exhibition because we would like those who come from every corner of the world to visit Canada, in 1967, to realize the accomplishments which have been made in this world of ours. It is also our wish that all phases of human activity be illustrated at the exhibition.

As I stated earlier, we would like the exhibition to further the cause of peace, to give new impetus to our economy, and to foster the advancement of culture in Canada.

As soon as the corporation is set up, we will make the necessary appointments in accordance with the standards I outlined a while ago. The appointees will get to work immediately and, obviously, hundreds of people will be called upon to fill positions of various importance in the organization.

The location of the exhibition will be chosen after consultation with experts because it is imperative to launch the whole project not later than the beginning of next year. Indeed, we must not forget that we have only four years left to carry out this extraordinary venture which will mean so much to Canada if we achieve the aims we have set for ourselves. Mr. Speaker, what is most important is that this exhibition be the outstanding feature of the celebration of our confederation's centennial. This exhibition must prove to the face of the world that Canada is a united country, a great country, a sovereign state, where live in harmony both great races of this nation. This exhibition must also serve the interest of the other ethnic groups that are the same as we are, really, a part of the large Canadian family. This world fair will serve to mark the extraordinary progress accomplished in the 100 years since 1867, and it will also have to be the starting of another era of progress and magnificent achievements.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, the object of the bill before the house is to incorporate a crown corporation to look after the administration of the world exhibition to be held in Canada, more precisely in Montreal, for six months in 1967.

This will be an extraordinary event for Canada, for the province of Quebec and the metropolitan area of Montreal. This world exhibition's theme shall be "Man and his World" and shall illustrate the interrelation of man and nature.

Since one of the great laws of the community of man is unity through diversity, co-operation through mutual respect, association through equality, Montreal was especially suited to hold the world fair.

I believe it is in order at this time to thank the bureau of international exhibitions for selecting Canada and the city of Montreal, for the site of the exhibition. The decision was reached after careful consideration of the claims of other world centres. It is an honour for Canada that Montreal was selected. On account of that decision, it is our duty, as the Associate Minister of National Defence (Mr. Sevigny) has already done, to congratulate warmly, the mayor of Montreal, Mr. Jean Drapeau, for his initiative and his determination. From the start, he was convinced that the city of Montreal deserved to be chosen on account of its tremendous advantages. He was right and I am sure that the House of Commons expresses its gratitude to him.

Mr. Speaker, we must also congratulate the three levels of government involved without giving more credit to one than to the others. I mean the federal government, the provincial government and the municipal government, because all three have encouraged the idea of holding a world exhibition and have collaborated and contributed to its realization not only by their valuable advice, but also by a large amount of money, without which the preparation of this project would have been impossible.

To all those who have contributed in some way to this wonderful initiative, the Liberal party offers its thanks.

The choice of Canada's metropolis must be not only a cause to rejoice but also an occasion to show what Canada can do and what Montreal can offer the whole world under the circumstances.

"Man and his World" is the theme of the exhibition which was approved by the bureau of international exhibitions and it does illustrate the new possibilities opened to man's activity and progress. Those four words contain all the creations of mankind. This theme aims at glorifying man without distinction of boundaries, in all the manifestations of his active life, for, after all, the starting point of all discoveries, of all undertakings and of all scientific and technical developments is man himself.

I feel that such a theme constitutes a kind of inspiration capable of creating unity among nations. In short, the world exhibition is a factor of peace, friendship and progress.

Mr. Speaker, "Man and his World" is a theme which will call to mind the peaceful part played by Canada in the world. With a population of 20 million, a vast territory stretching between two great powers, the U.S.S.R. and the United States, member of the British commonwealth of nations, bound to the western European countries by the Atlantic pact, having contributed considerable amounts of money to underdeveloped countries, on the eve of becoming a member of the organization of American states, with no territorial ambition but wishing peace, seeking from the first to obtain it through its foreign policy, Canada can, through that exhibition, set an example of peace and progress for all countries in the world.

"Man and his World" is also an appropriate theme for the centenary of confederation, when we should stop to consider in what measure the hopes, apprehensions, doubts and fears of the fathers of confederation were justified.

Some recent events have shown that we are going through another crisis of national unity where the very foundation of confederation is shaken. It is not the first time that we undergo such a crisis. We shall overcome it provided we can avoid both extremes. The exhibition will be a splendid occasion to preach and claim Canadian unity, to achieve it and above all to recall that confederation, while it was only a treaty between four states, to certain people, was also, to others, an agreement between two equal partners, its aim being political unity, but without cultural, racial or ethnic uniformity.

"Man and his World" is a theme that will preach respect for human rights. The respect of those new Canadians who, escaping the terror of dictatorships, left their original country to settle among us and look here for freedom, peace and quiet. It will be necessary that they feel perfectly at home in Canada and that they are never done any injustice.

"Man and his World" is a theme that could very well evoke the story of a people that was 65,000 strong two centuries ago and which now numbers 5 million, a people which is determined, to keep at all costs, its language, traditions and culture, which twice in its history pushed back American invaders and preserved Canada against them, and which is now claiming its rightful place in

the sun, all over the country, from shore to shore.

"Man and his World" is a theme which will conjure up the ideas of peace, friendship and progress. In order that true peace may settle on earth, amongst all of the nations, it must derive its roots, first and foremost, within the individuals and nations; injustice, suffering and hunger will have to be eradicated from the surface of the earth in order to make way for social justice in a new world order.

Speaking about the Montreal world fair, recently, Mr. Valmore Gratton, director of the Montreal Economic Development Organization, had this to say:

> The first large fair inaugurated in 1851 under the reign of Queen Victoria, led to the construction of the Crystal palace in London. In France, the Eiffel tower has remained as a living witness of the world fair which was held there towards the end of the nineteenth century. Nearer our times, Brussels gave rise to the Atonium and Seattle to the Space needle.

What will come out of the Montreal exhibition? The works I just referred to should stimulate the imagination of our fellow Canadians.

On the other hand, Mr. Speaker, there will be things to avoid. There will be no need to copy blindly the great exhibitions of New York, Brussels and Seattle. We should rather try to benefit from their mistakes. But what we need in particular is a new outlook, worthy of our centennial and worthy of Canada.

It will be appropriate also to give the second largest French city in the world well defined French characteristics and architecture. People coming from all over the world will not expect to find here what they have already seen in New York, Brussels and Seattle. They will want something new. Montreal, a first rate cosmopolitan city, can give it to them.

In another area, when we consider that the Brussels exhibition has provided employment for 12,000 workers and more, the Montreal exhibition which will cover an area nearly twice as large, will be a source of prosperity for the metropolis and the whole province of Quebec.

One last word. We are convinced that this crown corporation will play a prominent part in this great and grand project. The success of this exhibition might very well depend on the selection of the officials to be appointed. For a project of such magnitude, the selection should not be made for political considerations but, above all, on the basis of the merit and qualifications. The government can boast of some good nominations. Others were not so good. All appointments to this new corporation must be fortunate as well as good. The corporation will thus be able to depend, from the very beginning, on the cooperation, not only of the Liberal members for the island of Montreal, but also of parliament and the Canadian nation as a whole.

May I pause here to point out and to recall to the government the long delay in making appointments on the centenary commission. It is high time the government made the appointments so that action can be started not later than January 1, 1963 on the world exhibition project.

May success crown the efforts of this new corporation, and may the 1967 world exhibition be worthy of Canada, the province of Quebec and the great city of Montreal.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, in the name of this group, it gives me pleasure to join with the two previous speakers who chose to support Bill C-103, to establish the corporation of the future world exhibition to be held in Canada in 1967.

We, in this corner of the house, welcome the fact that Canada and especially the city of Montreal, were chosen as the site of the 1967 world fair.

The Associate Minister of National Defence (Mr. Sevigny) gave us details concerning the world exhibition and set forth the magnitude it will have.

Canada must get ready for that imposing exhibition; our country is worthy of it and, with the support of federal, provincial and municipal governments—we congratulate them for working together—the future exhibition will be the finest one ever held in any country in the world.

Mr. Speaker, that fair is a very important thing and that is why we, Social Crediters, are glad to see that it will be held in the province of Quebec.

We shall have the pleasure and honour to welcome in our province representatives of all countries in the world. More than 50 countries will delegate ambassadors and representatives in the cultural and artistic fields, as well as in the agricultural, industrial and economic fields.

Therefore, we are very glad, we citizens of Canada and particularly of the province of Quebec, that Montreal should have been chosen unanimously by the bureau of international exhibitions. And, in four years, when we celebrate the centenary of our magnificent and great country, we shall see that grand exhibition, whose main theme has been very judiciously and intelligently chosen: "Man and his World".

"Man and his World" will be the theme of the 1967 world fair, and because such a theme

has been chosen it is important that the fair be well prepared. It is important also that it be a great success and that it constitute a source of wealth, from which we shall be able to benefit in the future, both from a financial and agricultural standpoint, and from a technical, industrial and social standpoint.

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

At six o'clock the committee took recess.

(Text):

AFTER RECESS

The house resumed at 8 p.m.

(Translation):

Mr. Rondeau: Mr. Speaker, when the house took recess at six o'clock, we were on Bill C-103, to establish the Canadian World Exhibition Corporation.

There are only four more years to go before this world exhibition is held and the work to be carried out by that corporation is great on all counts.

It is up to the parliament of Canada to see to it that the title of the world exhibition: "Man and his World" be endowed with real meaning in 1967 for the people coming from all over the world who will visit us on the occasion of this exhibition. They should be able to see that Canada truly is the "Terre des hommes", that of Canadians. We have only four years left to take the giant step which will allow us to change the present system and say, "Canada, terre des hommes".

On that occasion we will receive a great number of visitors from all countries. They will come not only to derive knowledge from our culture, traditions and art, but to see if the theme we have chosen, "Man and his World", is consistent with the facts, and not "financiers and their world".

Today Canada, the world of financiers, is well known. The world of financiers, we know it. It is not man's world which prevails now in this country.

When this theme was chosen, in my opinion, it is because before 1967 we shall have time to give a Social Credit government to our country precisely to achieve that program, "Man and his World".

(Text):

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, after the eloquent words from the hon. members from the province of Quebec who have preceded me in this debate, it may not be inappropriate for a member from another part of Canada to say a few words in support of this bill. I think all Canadians should have interest in this bill to establish a Canadian World Exhibition Corporation which will be charged with the responsibility of the creation of a Canadian international fair in the city of Montreal in 1967. I suppose that the constituency I have the honour to represent in this house is at least as far away from the city of Montreal as any other constituency in Canada.

In rising to support this measure, I want to say, as one who has had too little opportunity to become acquainted with the colourful and historic metropolis of Montreal, I believe it will be a good thing for Canada and for Canadians if a great many of our people do find a worth-while occasion for visiting that city during our centennial year. Other hon. members have pointed out that the theme of this fair is to be the land of men. I may say that as I cross Canada, coming from my constituency to the capital city I realize that, while this is in a sense the land of men, we still have many great open spaces.

As some hon. members are aware, my constituency is bounded on the west by the great reaches of the open Pacific. I should like to draw the attention of the house to a particular spot in my constituency which has some significance for Canada as we approach our centennial year. I am referring to a little place which is relatively unpopulated and is known as Friendly Cove. It is significant, in my opinion, as we approach our centennial year because that is where the history of Canada began in so far as our western shore is concerned. It was at Friendly Cove on Nootka island in 1778 that Captain James Cook became the first European to set foot on the shores of what is now the western coast of Canada.

In a very few words, therefore, I wish to say I support this bill. I do so as one who, in a sense, represents the opposite extremity of Canada from the area in which this fair is going to be located. I felt I should like to participate in this debate to indicate to the members from Quebec who have taken part in this debate, and to the minister who introduced the bill, that there is a realization on the part of all members of this house, from wherever they may come, that the passage of this bill will launch something which we are all agreed will be a most significant and appropriate part of the celebration of our centennial year.

Canadian World Exhibition Corporation

The house in committee on Bill No. C-103, to establish the Canadian World Exhibition Corporation—Mr. Churchill (for the Prime Minister)—Mr. Paul in the chair.

On clause 1—*Short title.*

The Deputy Chairman: Shall clause 1 carry?

Mr. Chevrier: I do not want to delay passage of the bill, but the minister should give some explanation as to why there was a change in the original bill as compared with this one. I think there are one or two changes and perhaps the minister might be good enough to explain what they are.

Mr. Sevigny: I will do so with great pleasure. Actually, the first bill just referred to an exhibition which was to be held on the island of Montreal, and we felt it would be preferable to mention that this exhibition was to be held in connection with the celebration of the centennial of confederation in a manner in keeping with the national and historical significance of this great event. Consequently we decided that since this was to be a national event it should be clearly mentioned in the bill that such was the case. Consequently clauses 1 and 3 were changed and also a reference to this change is made in clause 9, which I will refer to in a moment.

Mr. Rock: I would like to ask the minister what qualifications the commissioner general should have?

The Deputy Chairman: Order. I think the hon. member should wait a few minutes until we come to clause 3 when he can ask that question.

Mr. Chevrier: Clause 1 has to do with the corporation, and says the act is to be cited as the Canadian World Exhibition Corporation Act. In his earlier remarks the minister announced that there would be a number of directors, the commissioner general being one, and so I think the hon. member is in order in asking what his qualifications will be.

Mr. Sevigny: In answer to that, we are presently dealing with clause 1 and if we could dispose of it we can debate clause 2 where this question of the commissioner general is mentioned. I mention this for the sake of good order in debate, and at that stage I will give the necessary explanations required by the hon. member for Jacques Cartier-Lasalle.

(Translation):

Mr. Lachance: Mr. Chairman, I have a problem to put to the minister concerning section 1 of this bill and more particularly about the title.

[Mr. Barnett.]

The minister undoubtedly knows that a corporation is already set up under the name of Montreal international trade fair. Was it seen fit to do something about this, because there could be some misunderstanding since that corporation is called the Montreal international trade fair?

Mr. Sevigny: Mr. Chairman, I think a distinction should be made between the terms fair and exhibition.

The word fair applies to shows like the one existing at present in Montreal and that is called an international fair.

But the word exhibition applies more particularly to a show like the one to be held in Canada in 1967 and which is much larger.

In fact, it is precisely because we wished to avoid confusion between the various fairs held across the country that we selected a quite distinct name, that of the Canadian World Exhibition Corporation. I think that name explains quite well the important event which will take place in Canada in 1967.

(Text):

Clause agreed to.

On clause 2—*Definitions.*

Mr. Rock: Mr. Chairman, I would like to have answered the question I previously asked.

Mr. Sevigny: The commissioner general will be a man who will have immense powers in the corporation. He shall be responsible for his actions not only towards his directors in his own corporation, not only towards the people who will work within the framework of the corporation, but will also have to answer concerning the actions of the corporation to the minister of the federal government who will be responsible for the corporation, to the minister of the provincial government who will also be connected with it, and to the mayor of Montreal.

He must be a man who has all the abilities to administer a project of such magnitude, and a man who can actually deal with foreign powers and foreign corporations so as to attract them to come to Canada to take part in this project.

(Translation):

Mr. Loiselle: Mr. Chairman, could the minister tell us whether, as a result of his talks with the tripartite committee, including representatives from the city of Montreal, from the federal government and from the provincial government, a final decision has been taken concerning the site of the fair?

Mr. Sevigny: Mr. Chairman, the meetings which were held between the representatives of the federal government, the provincial government and the city of Montreal were characterized by the greatest cordiality, and it has been agreed that the selection of the site deserved a detailed study on the part of town planners and experts in the matter. Consequently, that study is being carried out at present and will be completed, I believe, within 30 days at the latest. Following the reports which will be submitted to us, we shall then be in a position to determine definitely the site of the fair.

For the time being, we have not yet decided on any particular site, except that it will definitely be located within the limits of the island of Montreal.

Mr. Loiselle: Mr. Chairman, the minister has just said that the site of the fair would be within the limits of the island of Montreal. May we expect that it will be in a neighbouring municipality? Will the site be finally selected by the members of the world fair corporation or by the members of the committee which has now been sitting for some time?

Mr. Sevigny: Mr. Chairman, the site will be definitely on the island of Montreal, which means that the fair will be held in the city of Montreal or in a neighbouring municipality.

As regards the selection of the site, it will be made by the general commissioner and the directors chosen by him, in co-operation with the members of the present committee.

Mr. Lessard (St. Henry): Mr. Chairman, could the minister tell us what are the dimensions of the area required by the commission at present? Furthermore, could he tell us what minister will be appointed to administer the fair?

Mr. Sevigny: Mr. Chairman, as regards the site, it is specified in the bill that it will require at least 500 acres, but actually this figure will be much nearer to 800 acres, and here is why.

In the light of what happened in countries where world fairs have been held, and following the advice given by our experts concerning what we should do to ensure the success of our fair, we have come to the conclusion that one of the main difficulties in the case of previous fairs was the congestion brought about by the great number of visitors. It was found very difficult to get to and from those fairs. Therefore, a lot of time was wasted owing to the lack of means of communication and of parking space. As we want the exhibition site to be easily accessible, we shall see to it that there are vast parking lots on the site which will be selected.

That is why I mentioned the fact that around 800 acres of land would be required to make this exhibition as successful as we are hoping it will be.

Mr. Chairman, the hon. member asked a second question, but I must admit that I have forgotten what it was.

Mr. Lessard (St. Henry): Mr. Chairman, I asked the minister to tell us which minister would be responsible for the administration?

Mr. Sevigny: Mr. Chairman, the exhibition shall be the immediate responsibility of the federal government, and here is the reason why: the bureau of international exhibitions wishes to deal with the central government of the country where the exhibition is being held—and I believe they are right in asking this. Moreover, as it was rather difficult to explain to them our confederative system and the reasons why we have three governments involved in this project, we therefore decided that the central government would be responsible for the exhibition with regard to the corporation, on the one hand, and to the bureau of the international exhibitions and to the provincial and municipal governments, on the other hand.

For the time being, your humble servant shall be the responsible minister as far as this exhibition is concerned.

Mr. Lessard (St. Henry): Mr. Chairman, since the city of Montreal is going to start clearing the slums in the Point St. Charles area, does the minister believe that this is an indication that this area might be favoured by the city as the site for this world exhibition?

Mr. Sevigny: Mr. Chairman, I must say that I have always been in favour of slum clearance.

However, a distinction should be made between slum clearance and the selection of a site for the world exhibition. The two problems should not be too closely united, if I may say so.

In any case, as I said a moment ago, the selection of a site is yet indefinite and shall only be made after a careful consideration of the reports submitted by the experts on the matter.

Mr. Loiselle: Mr. Chairman, the minister has just said that nothing is definite in this regard. However, after the meetings which were held, it seems to me that the minister must have quite definite information.

On the other hand, since the Point St. Charles area is situated in my riding, next to Montreal harbour, near the Dorval air terminal, I wonder whether the minister could not commit himself a little and give us an indication regarding the site?

Mr. Sevigny: Mr. Chairman, I can assure the hon. member that I would like to commit myself, if I could. I know the Point St. Charles area very well, and I appreciate the reasons which lead the hon. member to try and influence the committee's choice so that it would fall on Point St. Charles as exhibition site.

For the moment, I am unable to be more definite.

May I tell him that there are, on the island of Montreal, six or seven possible sites for the exhibition. Of course, we shall proceed by elimination and, eventually, make a final choice which, as I hope, will meet with general approval.

Mr. Lachance: Mr. Chairman, the minister mentioned a moment ago the committee which has been set up and has studied up to now the problem of the universal exhibition. He stated also that this committee would pursue its activity.

Do I understand that this committee will continue to function after the establishment of the world exhibition corporation, or will it immediately stop its activities so that the corporation will remain the only body entrusted with the task?

Mr. Sevigny: Mr. Chairman, once the Canadian World Exhibition Corporation is established, the activities of the committee will necessarily be limited. But, anyway, the company will be responsible to three governments, that is, the federal, provincial and municipal governments.

The present committee is composed of a representative of the federal committee and his colleagues, of a representative of the provincial committee, and a representative of the municipal committee and their assistant staff.

As we shall be always consulted with regard to this project, it is to be expected that the committee, in its actual or improved form, will continue to function.

Mr. Pigeon: Mr. Chairman, I would like to ask the minister a question. Did he receive any questions from the town of Repentigny and any representations on behalf of some public bodies in Montreal, claiming that the exhibition should be located in the east of Montreal, where several hundred acres of land are available?

Mr. Sevigny: Yes, Mr. Chairman, we did receive some representations from businessmen in the east of the city, and from almost every single municipality in Montreal. Those representations and requests will be submitted to the committee where they will be studied with the greatest care, and the choice of the site will be made with due regard for the representations that have been made.

Mr. Boulanger: Mr. Chairman, in his statement, this afternoon, the minister mentioned the names of some people who had participated in the preliminary research work. Could he give us the names of those who took part in the initial organization work which included the preparation of the bill we will pass tonight?

Mr. Sevigny: Mr. Chairman, it is a pleasure for me to give that information.

The federal government was represented by the hon. member for Longueuil, who is known to everyone in the house, and his executive assistant, Mr. Gaston Levesque, the assistant deputy minister of trade and commerce, Mr. Leslie Brown, and the representative of that federal department, Mr. Glen Bannerman. There was also a representative from the federal Department of Justice.

The provincial delegates we had the pleasure of dealing with included the Hon. Andre Rousseau, a good friend of mine who, I hope, will remain as interested in the exhibition as before, in spite of what happened to him recently. There was also the minister of trade and industry, Mr. Gerard Levesque, and his deputy minister, Mr. Bernard Tremblay.

I wish also to emphasize the excellent cooperation we received in Paris from Mr. Charles Lussier who is the general delegate of the province of Quebec.

Of course everybody is aware of the wonderful job done by the mayor of Montreal, Mr. Jean Drapeau who was skilfully assisted by Mr. Valmore Gratton and Mr. Lucien Hetu.

Mr. Lessard (St. Henry): Mr. Chairman, I wonder if the minister could tell us how many locations are being considered at the present time?

The Deputy Chairman: Order. May I suggest to the hon. members who are particularly interested in this item, that they should reserve their remarks until we discuss clause

9 of the bill, regarding the site, the possible selection of the location, which would bring about a more orderly discussion of this bill?

Mr. Lessard (St. Henry): I do not believe my question had anything to do with your remarks, Mr. Chairman, because I was simply asking the minister how many sites the corporation was considering, as possible locations for the world exhibition.

The Deputy Chairman: I understood the meaning of the hon. member's question, that is why I wanted to suggest that he delay it, if possible, until clause 9 of the bill is called.

Mr. Gregoire: Mr. Chairman, I have just one question to ask the Associate Minister of National Defence. I believe that while giving the list of the acting directors he named Mr. Bannerman. But there is a rumour that Mr. Bannerman will be the next commissioner. Has the minister any comment to make on that?

Mr. Sevigny: Mr. Chairman, numerous rumours are circulated when a project of such importance is mentioned. The one concerning Mr. Bannerman is one of those rumours about a project like the world exhibition.

(Text):

Mr. Rock: Mr. Chairman, I would like to ask the minister whether the commissioner general will be bilingual.

Mr. Sevigny: Yes, Mr. Chairman.

Mr. Pickersgill: I would like to ask the minister a question too. Could he say whether either the commissioner or the deputy commissioner will be a woman, because surely there should be at least one woman in the land of men.

Some hon. Members: Oh, oh.

Mr. Pickersgill: That is a serious question.

Mr. Sevigny: Mr. Chairman, the hon. member knows me well enough to know that I will not exclude women.

Some hon. Members: Oh, oh.

Clause agreed to.

Clauses 3 to 7, inclusive, agreed to.

On clause 8—*Employment of officers and servants.*

(Translation):

Mr. Chevrier: Mr. Chairman, clause 8 is of a rather urgent importance for a great number of us, because since mention was made of this corporation to be set up, many of us have received applications for jobs. So, I am wondering—

Mr. Gregoire: No patronage.

Mr. Chevrier: —I am wondering what senior official will look after those applications. Will they have to be directed to Mr. Bannerman, who has acquired a lot of experience in that field in connection with previous fairs, to the corporation secretary, or to the civil service commission.

Mr. Gregoire: No patronage.

Mr. Sevigny: Mr. Chairman, in reply to that question, I must say that we have all received, of course, quite a number of requests from persons interested in the study of that question. For my part, I gave them all the same answer, that is, their applications and their names would be submitted to the members of this crown corporation which will be set up to administer the world fair.

And here is how the fair will more or less operate.

First, the general commissioner will be the big boss of the organization, skilfully assisted, no doubt, by the deputy general commissioner.

Twelve directors will be selected as provided by the bill.

Under that directing body, there will be an executive council headed by a general manager who, of course, will have all the qualifications required of a general manager, that is, those required to administer the operations of larger corporations.

The directing body will be divided into branches. For instance, there will be a legal branch. There will be town planning, architectural, external relations and internal relations branches. There will be also an arts and sports branch, because sports will play a very great part in that undertaking. There will be also scientific branches.

So the chiefs of all those branches, of all those sections, if you like, will report to the general manager, and will find a system which will permit the selection of the most competent people to serve on the corporation.

The Deputy Chairman: Is clause 8 agreed to?

Mr. Loiselle: Mr. Chairman, could the minister tell me in what part of Montreal the headquarters will be located?

Mr. Sevigny: I wish I knew it, Mr. Chairman.

The Deputy Chairman: Is clause 8 agreed to?

An hon. Member: The member for St. Henry has a question.

Mr. Lessard (St. Henry): Mr. Chairman, I thank you for giving me the opportunity to ask my question a second time concerning the site for the universal exhibition. How many sites are under consideration at present?

Mr. Sevigny: Six, I would say, and possibly seven.

(Text):

Clause 8 agreed to.

On clause 9—*Powers.*

(Translation):

Mr. Lachance: Is the minister in a position to tell us whether of those six sites some are located in the eastern part of Montreal?

Mr. Sevigny: Yes.

Mr. Lachance: Could the minister tell us how many?

(Text):

Mr. Rock: I should like to find out from the minister whether he has considered the advantages of the county of Lasalle, which constitutes one third of the island of Montreal. There are thousands of acres of virgin land there and the cost of development would be less there than anywhere else. I understand that other hon. members would like this exhibition to be in their own county, as I would like to have it in mine, and I understand it will be up to the commissioners themselves to describe where it shall be situated.

Mr. Sevigny: Everyone knows the advantages of the beautiful riding of Jacques Cartier. I have many friends there among whom is the distinguished and competent mayor of Dorval. There is no doubt that the commissioners named will be pleased to consider the merits of Dorval, Lachine and similar areas and that they will be delighted to consider the requests coming from that charming region.

Mr. Rock: I did not mean to suggest I wanted it actually in Lachine or Dorval. I wanted it in the county somewhere. The minister mentioned Dorval and Lachine. I did not want an answer in that manner.

Mr. Sevigny: The hon. member's riding will be considered, but not exactly because of his representations.

[Mr. Sevigny.]

(Translation):

Mr. Boulanger: I would like to ask the Associate Minister of National Defence a question following the inquiry of my fellow member for Joliette-L'Assomption-Montcalm (Mr. Pigeon).

The minister received a brief on behalf of people in Repentigny, businessmen and companies of eastern Montreal and elsewhere. Is this brief actually to the effect that the site be what is called in the east, Maisonneuve centre, or was the request that reached the minister of a wider scope? By eastern Montreal do we mean Maisonneuve centre?

Mr. Sevigny: Mr. Chairman, I glanced through the brief I received from those gentlemen in Repentigny and elsewhere, but I must admit that at the moment I forget what exactly they asked for. I do not remember whether they asked that the site be the one specified by the hon. member, or another.

Mr. Boulanger: A supplementary question, Mr. Chairman. I understand very well that when the hon. minister says that he only glanced at the brief, there might be some misunderstanding, but we read some statements in the press—

Mr. Gregoire: He stayed up too late last night.

Mr. Boulanger: I shall wait until the hon. member for Lapointe stops talking, before finishing my remarks. Very well.

According to statements we read in the papers, the Maisonneuve sports centre was an ideal site, because its choice would prevent much speculation with regard to land or other projects.

I want to point out this fact to lend new support to the request made by the people of Repentigny, or by businessmen elsewhere.

Mr. Sevigny: Mr. Chairman, in answer to the hon. member's question, I wish to tell him this: representations from businessmen and politicians from Repentigny and the eastern sections will be considered with the greatest care by the committee to which they will be submitted.

You may rest assured, Mr. Chairman, that my hon. friend's representations will get all the attention they deserve.

Mr. Loiselle: Mr. Chairman, I only have one question to ask. I wonder why the minister is letting himself be tormented and goaded in this way. In my opinion, there is only the Point St. Charles district that is suitable. You should say so tonight.

Here is my question. What are the requirements and conditions for the selection of a site?

Mr. Sevigny: Mr. Chairman, when I hear my hon. friend pleading the cause of his constituents with such eloquence, I understand why they keep placing their confidence in him.

Mr. Chairman, in reply to my hon. friend, I wish to say that, first of all, the site must be easy of access, developable, not too expensive and, in addition, it must be attractive and impressive to all visitors. Because of the importance of our exhibition, the site will then have to offer certain advantages from an aesthetic point of view. It will have to be reasonably easy of access. Of course, there are other considerations to take into account, but I think I have underlined the main points.

(Text):

Clause agreed to.

Clause 10 agreed to.

On clause 11—*Grants to corporation out of C.R.F.*

(Translation):

Mr. Lachance: I only want to ask a short question. Section 11 refers to a sum of $20 million which shall be payable to the corporation. I wonder whether the wording is not ambiguous here. One would think that the corporation can only receive a maximum of $20 million.

Mr. Sevigny: Mr. Chairman, let me say this in reply to the question by the hon. member.

Hon. members know, as I have mentioned it, that the government has already granted a sum of $20 million. The province contributes $15 million and the city of Montreal, $5 million.

There is a section in the bill to that effect. I have forgotten which one it is, but it is there. This section gives the corporation a borrowing power, which will be in effect providing the federal and provincial governments agree to it. The borrowings will be negotiated by the corporation on a 50-50 basis.

Therefore, $40 million will be voted for the efficient administration and the progress of this corporation. Should the corporation need more money, it will use its borrowing power at the appropriate time.

(Text):

Clause 11 agreed to.

Clause 12 agreed to.

On clause 13—*Bank accounts.*

(Translation):

Mr. Gregoire: Mr. Chairman, may we recommend that the corporation do not go and borrow from finance companies, at 30 per cent interest?

(Text):

Clause 13 agreed to.

Clauses 14 to 19 inclusive agreed to.

Title agreed to.

(Translation):

Mr. Sevigny: With your permission, Mr. Chairman, although there is only 30 seconds left, I should like to simply say this.

I attach a tremendous importance to this exhibition for which I have worked for so long now. I wish to thank the hon. members in this house for their wonderful co-operation. I am satisfied that all together we have accomplished something great and that the people of Canada, and especially those who live in Montreal, are delighted this evening.

(Text):

Bill reported and read the third time and passed.

BUSINESS OF THE HOUSE

Mr. Speaker: It being 8.45 o'clock p.m.—

Mr. Hellyer: Mr. Speaker—

Mr. Speaker: Unfortunately I am precluded by the clock from hearing the hon. member. I must call private members' hour.

Mr. Churchill: Mr. Speaker, I think unanimous consent will be given to the request about to be made by the hon. member.

Mr. Speaker: If there is unanimous consent that I defer seeing the clock. Then I will recognize the hon. member for Trinity (Mr. Hellyer).

Some hon. Members: Agreed.

Mr. Speaker: Then I call on the hon. member for Trinity.

Mr. Hellyer: Mr. Speaker, Bill No. S-16 was reported back to the house earlier this day without amendment, and would ordinarily appear on the order paper tomorrow. In view of the circumstances, I wonder whether the house would give its consent to considering the bill at this time?

Mr. Speaker: Unanimous consent of the house is sought by the hon. member for Trinity that Bill No. S-16 be considered later this day. Is it agreed?

Some hon. Members: Agreed.

Mr. Speaker: It being 8.45 o'clock p.m., in accordance with the order made earlier this day the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motion (papers), as appear on page 20 of the order paper.

Mr. Hellyer: Mr. Speaker, it was my understanding that we should deal with this bill

immediately, if that is agreeable to the house. It would take only a moment or two, if we could go into committee of the whole on the bill.

Mr. Speaker: The hon. member for Trinity seeks leave to consider Bill No. S-16 in priority to the notice of motion for production of papers.

Mr. Martin (Essex East): Mr. Speaker, on a point of order, I think the agreement was that we would let the hon. gentleman go ahead, but in view of what you have just said, we will be taking the full hour on the motion. That is the agreement, and I think the understanding, as stated by the house leader, because it is conceivable that we might have a longer discussion.

Mr. Speaker: I wish to draw to the attention of hon. members that if a certain event transpires at 9.45 p.m. the Chair has no alternative but to interrupt the proceedings.

Mr. Martin (Essex East): The house can give unanimous consent, but I think it was understood that the motion—

Mr. Speaker: That may be, but the hon. member is making a request which would be in derogation of the understanding. I do not think there could be any particular undertaking on the part of the government with regard to that matter. There is either unanimous consent or there is not. Now, is there unanimous consent for the hon. member for Trinity?

Some hon. Members: Agreed.

PRIVATE BILL

THE IMPERIAL LIFE ASSURANCE COMPANY OF CANADA

The house in committee on Bill No. S-16, respecting The Imperial Life Assurance Company of Canada—Mr. Hellyer—Mr. Chown in the chair.

On clause 1—*Change of name in French.*

Mr. McCleave: Mr. Chairman, this bill was considered earlier today in the committee on banking and commerce, and the other members of the committee have agreed that perhaps I should make a few remarks about it this evening, both on behalf of their parties as well as my own. I should just like to compliment this company on moving part of its mortgage operations into the maritime provinces during this past year. We have had problems with other companies which had done substantial business in the maritimes investing their money in other parts of Canada. We are certainly glad to see that the company named in this bill is opening up operations in the maritimes.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported and read the third time and passed.

FINANCE

CORRESPONDENCE RESPECTING SURCHARGE ORDER IN COUNCIL

The house resumed from Thursday, December 6, consideration of the motion of Mr. Martin (Essex East):

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order, P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962, and the import control list as amended by P.C. 1962-903, dated June 24, 1962, with particular reference to the legality of such orders.

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I started to talk on this subject two weeks ago. On looking at *Hansard* to see where I was, I was a little confused for a while; I thought that perhaps the hon. member for Bonavista-Twillingate (Mr. Pickersgill) had been speaking instead of me. You may recall, Mr. Speaker, that I yielded the floor to a question from the hon. member, who I think forgot himself and started to deliver a very impassioned speech of his own which could be thought by some people to have some bearing on this topic. I do not want to discourage the hon. member, or any other hon. member of the house, because I am always happy to entertain questions, and I am even happier when they are pertinent or even intelligent. I hope, however, that these questions will not merely be an excuse to deprive me of the floor, as I have only a short time left this evening, no matter how long it may seem to some sufferers in this house.

I think I had made, or had started to make one point on this topic which deals with the production of papers. The motion of the hon. member for Essex East asks for papers, including all correspondence, in very broad terms between ministers of the crown and departments of government, especially with regard to legal opinions. I think I had made reference to the fact that it was the opinions which were asked for which disturbed me most in connection with this motion.

This motion is to be distinguished from those in which purely factual or statistical material is requested. As I read this motion, it asks for the most intimate details of everything that would go into the consideration the crown gave in arriving not only at the order in council but at what items might be affected by the surcharge. I wonder whether the hon. member would really seriously ask members of this House of Commons to require the government to produce the opinion of every civil servant who might have had a hand in arriving at the list of articles that should be subject to surcharge. I wonder whether he would really wish to have every written note of every discussion between various members in the department with regard to whether a certain item should or should not come within the list to be subject to this surcharge.

An hon. Member: We have heard that before.

Mr. Nugent: It would seem to me to be a little bit strange that a member having experience, especially cabinet experience which the hon. member for Essex East has had—

An hon. Member: What experience?

Mr. Nugent: Especially cabinet experience. It seems strange to me that he should have brought forward a motion such as this one, when he knows what pressures are brought to bear on government and indeed on private members of parilament and on various servants of the crown in connection with each and every item proposed. I know we all have been subject to letters and personal interviews and have heard complaints about this or that item on the tariff list. I know we are all aware of the fact that there are, day in and day out, countless requests for exemptions from tariff duties for various reasons with regard to various items. It seems strange to me that we should be asking the government to produce in this house every argument which was brought in on both sides of the question and which entered into the government's decision, so that those people who are primarily interested in a particular item, those private individuals who have the most at stake in trying to change the mind of the government, should be provided with the ammunition with which to attack the government right from the government's own files.

It seems to me that not only is this course going to subject the civil servant to the necessity of proving his opinion to his own superiors in his own department, but it is going to pit civil servant against civil servant within the department. If any value is to be gained from the advice of people who are charged with the duty of giving the minister responsible advice in connection with these problems, surely we must do what we can to make sure that his opinion is respected. We must make sure that the only thing with which he is obliged to concern himself is the strength of that opinion, the effect it is going to have on that particular item or product under consideration and whether or not it is a good idea to have a surcharge on that particular item. Surely this is the basis of the advice we ask the civil servants for, not the question of who has the most industrialists clamouring on his side or which civil servant, once the argument has become public, has the most newspapers backing up his side of the argument. I suggest that I am not going too far when I say that this is the logical outcome of the complete revelation of every item in the files going into this decision.

Mr. Chairman, this is the extent of the motion before us. Up to this time I have dealt only with the ordinary civil servant and the ordinary item of a tariff surcharge. But here we are especially interested in the legal opinion. I suggest that matter becomes even more delicate when it is a legal opinion which is to be attacked. Certainly the accountant or the statistician is able to compile enough facts and figures in order to be able to show a rather fair brand of proof on one side or the other of an argument as to the economic effect. You can reach a degree of certainty and be able to some extent at least to discount the opinion or the fallibility of the person who is interpreting those figures. However, when we come into the realm of the law, may I say that any lawyer in the house knows that legal opinion has always in it an element of doubt which does not exist to the same extent with regard to mathematical questions. There must therefore be perhaps more hesitation in giving it. There must be more care. There is also undoubtedly on the part of the legal officer giving the opinion a little bit more worry since, after all, it is not provable as such. It is only his own reputation, his own character and his own knowledge of the law which sustains it.

If then we are to ask these people to give their honest opinion, I suggest that the least we can do is to give them protection from argument in public. Certainly no legal officer wishes to be subjected in the newspapers of the country or in this House of Commons to a running critique of the effectiveness of his work from day to day, as to how many cases he has won and lost or how many times his opinion was not taken by the department. I suggest that we must do all we can to make sure that the legal officers are encouraged to use as much discretion and as much care as they can use and must do all we can to remove all thought of the effect on themselves

of any question with which they are dealing. Certainly, it takes a long time to develop the judicial mind. It would have to be a very strong judicial mind in order to wipe out completely any thought of self, any thought of the possible effect of publicity in the newspapers, the possible effect on his colleagues and other departments if his opinions were to be broadcast to the public if he is proven to have chosen the wrong side; that the minister should have taken the advice of a junior member rather than the senior member.

I was much impressed by the speech of the hon. member for Winnipeg North Centre (Mr. Knowles). I am sure most of us will recall with what an impassioned voice he presented to the house the necessity for producing these papers. I am not sure he was exactly on the point before us, but I recall his speech dealt almost entirely with the subject of taxation and the rights of parliament. I have heard this same hon. member get up in this house on many, many occasions, but during the last two or three weeks he seemed to be trying to give us the impression he was the only one interested in the civil service in this country. I am surprised that the hon. member should have apparently overlooked completely the necessity for protecting civil servants from this sort of adverse publicity, from this sort of criticism, both in this house and in the press.

Mr. Speaker: Order; I must inform the hon. member that the time allotted to him has expired.

Mr. R. J. McCleave (Halifax): Did the hon. member ask me if I had already spoken in this debate? I have not, Mr. Speaker.

An hon. Member: It only seems like that.

Mr. McCleave: I would hate to appear in this debate this evening, with the spirit of Christmas upon the house, and have my hon. friend from Essex East liken me to Ebenezer Scrooge by denying to him the pleasures of all the legal opinions now in the government files concerning surcharges, et cetera. I am sorry I must do so. If the hon. member really wants legal interpretations by Mr. Dreidger, he should go to that gentleman's book on interpretation and he will find that, among other things, the author points out the distinction between the words "shall" and "may".

One of the advantages of taking part in a debate such as this where very fundamental issues are concerned is to hear the fine contributions from those in this house with legal backgrounds, starting with the hon. member for Essex East (Mr. Martin), a leader at the bar; the hon. member for Bonavista-Twillingate (Mr. Pickersgill) who but for heavy duties elsewhere would have continued on to the bar, and the hon. member for Winnipeg North Centre (Mr. Knowles) who has become a sort of latter day Philadelphia lawyer. All these gentlemen have looked at the surcharges and have said that in their opinion these are illegal. Nobody else in Canada seems to share their opinion, but these gentlemen say the surcharges are illegal.

Mr. Knowles: Nobody else?

Mr. McCleave: Nobody else has come around to that opinion, or perhaps if they have their voices are equally in the wilderness. The Canadian importers association has not tested this measure in the courts.

Mr. Speaker: I do not think we are discussing the legality or the illegality of the surcharges. We are discussing whether certain documents shall be produced. There is a very narrow point of debate. I would ask hon. members to observe the strict rules of relevance in this regard.

Mr. McCleave: With respect, Mr. Speaker, may I understand clearly the limits of the debate? I understood there were two points at issue. The first one was whether it was proper to produce these things in parliament. If I am correct in assuming that this is one of the questions then, I would suggest with all respect that it would be equally proper to argue whether it be in the public interest to produce these documents. This was one of the points I was trying to make.

Mr. Speaker: With greatest respect to the hon. member, they are identical points. They are different versions of the same thing. One cannot go into the illegality or otherwise of the surcharges; one can go only into the question of the production of papers.

Mr. McCleave: I thank Your Honour for pointing out that I am really on one track, although I thought I might be traversing two. One of the strong points made by the hon. member for Essex East in his argument is to be found in *Hansard* of November 9, page 1427. The hon. member is arguing that the Minister of Justice should produce the opinion because the hon. member said the minister has quoted from that opinion.

In other words, what the hon. member for Essex East is arguing analogically, Mr. Speaker, is that the exchanges between the Minister of Justice, the hon. member for Winnipeg North Centre and the hon. member for Essex East—this reference is to even earlier questions and answers on orders of the day—put the minister in exactly the position envisaged by May, because the minister spoke of a legal opinion, and did identify the source of that legal opinion, the deputy

attorney general. The hon. member contends that, having done so, he is obliged under the rules to produce the legal opinion, having already gone so far as he has in the identification I have just mentioned.

I suggest that the argument of the hon. member for Essex East would, on the face of it, have great merit, as indeed does everything he says in this House of Commons. As I say, he has made out something of a prima facie case, at which he is very skilful. So, I looked up Beauchesne's parliamentary rules and forms, the fourth edition, to find the citation to support the hon. member's argument. I find at page 134, citation 159, subsection (2), the following:

> A minister of the crown is not at liberty to read or quote from a dispatch or other paper not before the house, unless he be prepared to lay it upon the table. This restraint is similar to the rule of evidence in courts of law, which prevent counsel from citing documents which have not been produced in evidence. The principle is so reasonable that it has not been contested;—

Now, sir, I then refer to the exchanges which took place in this house between the minister, the hon. member for Essex East and the hon. member for Winnipeg North Centre. I found that the hon. member for Essex East was guilty of a grave error, I am sure inadvertently but nevertheless a grave error. The Minister of Justice at no time quoted from the legal opinion of the deputy minister or anybody else. What he did do was give the result of that opinion, an opinion that said certain surcharges were lawful; but at no time did he cite from the opinion or go into the details of that opinion. In short he was saying what the result of the opinion was, rather than exposing any part of that opinion in parliament. Therefore I say this particular argument of the hon. member for Essex East falls to the ground, and it seems to be really the strongest part of his whole argument.

There was also the suggestion of the hon. member for Winnipeg North Centre (Mr. Knowles) that this whole matter be referred to the Supreme Court of Canada for opinion. That was the suggestion made in this debate. Perhaps I am out of order in referring to it, but if so I imagine he would be equally out of order making such a suggestion, which is to be found at page 1432 of *Hansard* for November 9, 1962; and I suggest that if he can make an argument such as that, then surely somebody should be allowed to answer it and say why this sort of step would not be proper. I do so say; because there has been no suggestion here from any responsible source that the opinion given with regard to the legality of the surcharges is in question, except from certain sources, motivated by political reasons, within the chamber itself.

I also share the views put forward so ably a few moments ago by the hon. member for Edmonton-Strathcona (Mr. Nugent), and I shall not cover that ground except to say I fully agree with his reasoning, that a civil servant should not be dragged into the political arena, which would be the effect of the motion of the hon. member for Essex East if it should be carried.

Finally, in paying tribute to the interesting speeches I have heard in this debate I would like to refer particularly to the hon. member for Simcoe North (Mr. Smith). He brought a tremendous amount of scholarship into this field and he completely punctured the prima facie case that had been placed before us by the hon. member for Essex East and the hon. member for Bonavista-Twillingate (Mr. Pickersgill).

The hon. member for Simcoe North showed that their arguments were extracts and quotations of contents from previous debates in the house, and that in short their arguments really dealt only cursorily with what had gone before and did not show the precedents which should guide a responsible House of Commons. I am glad to see the results of such burning of midnight oil, because surely the remarks of the hon. member for Simcoe North have helped to set this House of Commons on the straight path as to the circumstances under which documents such as this should be produced. For these reasons I would reject the notice of motion proposed by the hon. member for Essex East.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, only a few words on this motion before the vote is taken. First, since this is the last day of the year, I want to take the opportunity of congratulating you on all the patience and firmness you showed for three months in this house.

Mr. Speaker: I am sorry, but perhaps the hon. member remembers that he has already spoken on this motion and since the Speaker is in the chair, the rules do not permit him to hear the hon. member again.

(Text):

Mr. Bell (Saint John-Albert): Mr. Speaker, I am sure there would be unanimous consent to hear the hon. member for Lapointe on this very happy, festive evening.

Some hon. Members: No, no.

Correspondence on Surcharges

(Translation):

Mr. Gilles Gregoire (Lapointe): May I ask all my hon. friends, to whom we were kind all day long by allowing them to pass special motions and bills without any filibustering, to give us their unanimous consent. And here, we shall see whether they are kind or not. I appeal to their kindness.

Mr. Speaker: Do we have unanimous consent?

Some hon. Members: No.

Mr. Gregoire: The Leader of the Opposition did not say no.

Mr. Speaker: I sincerely regret, but some hon. members expressed their opposition.

(Text):

Mr. Pickersgill: Mr. Speaker, I am sure that Your Honour was misunderstood. I am sure there is unanimous consent.

Mr. Speaker: That may be so in so far as the hon. member is concerned but I think if he had either rear-vision mirrors or sound detectors towards the rear he would have heard nays from behind him.

Mr. Bell (Saint John-Albert): Mr. Speaker, I am sure there would be unanimous consent, if you wished to call for unanimous consent again.

Mr. Gregoire: Mr. Speaker, may I—

(Translation):

Mr. Speaker: Do we have unanimous consent?

Some hon. Members: Agreed.

Mr. Gregoire: I wish to thank all the hon. members of this house for the kindness they have just shown me.

Mr. Speaker, if I may say so, one must ask for a lot if one wants to obtain much. And I wish to ask for a little more. Would it be possible to obtain the unanimous consent of the house to give priority to the bill in the name of the hon. member for Villeneuve (Mr. Caouette), to amend the Canadian National Railway Act (salary of president).

Mr. Speaker: No.

Mr. Gregoire: Mr. Speaker, the last time I talked to this motion, I asked that all documents be tabled, at that time, I asked that all documents related to the crisis of June 24 last be tabled. I got the answer that there were too many of them.

There was even a newspaperman from *Le Soleil* who told me it would make a huge pile of paper. Now, I obtained those documents that we may add to those requested today and that we could enter under the category of those I have here, and that have been printed in *Hansard* today.

In my opinion, if the hon. members want to consult them, they will notice that the year's deficit in our balance of payments comes to exactly the same amount as the money paid out of this country, or $770 million, paid in interest on foreign investments.

Now, Mr. Speaker, to come back to the bill, I feel that the documents requested here should include a certain one which was before the privy council. According to information I have, it would have come before the council in 1947. We would like to see it included with the one we are interested in.

It was mentioned in 1947, 15 years ago, that if the government of Canada did not take proper care, we would experience a serious economic depression.

Mr. Speaker: I must point out to the hon. member that he is straying from the point like he did the first time.

This motion calls for the tabling of certain papers; it does not deal with an amendment nor is it a speech or a debate.

Could the hon. member address himself to the motion to which he is restricted. It states the nature the date and period of the document. An hon. member cannot ask for the tabling of a document going back to 1947 or, for that purpose, to Noah.

I would therefore ask the hon. member to limit his remarks to the motion.

Mr. Gregoire: The document I am interested in is a copy of any letter or paper which may have been exchanged between the Prime Minister—no mention is made of the year; it may be 1947—and an official of the Department of Finance. That document would be the prelude of all those which brought about the crisis of June 24, 1962.

The documents being asked for today have to do with the legality of the tariff surcharges which were preceded by a document announcing that those surcharges were forthcoming. That document would involve correspondence between the Prime Minister and a Department of Finance official.

That document, according to my source of information, would have mentioned that, if the government did not change its policy, exactly what is happening today was going to happen and that, in 1965, even more serious causes would appear which would result in our making concessions in our trade with the United States.

Mr. Speaker: It is quite apparent that the hon. member is building up to an argument with a certain subtlety, but I cannot accept his point. Therefore, I must ask him to come back to the motion.

Mr. Gregoire: Mr. Speaker, I regret having been out or order. That document is the one we would have liked to have on the subject.

In closing, I ask that all documents which could still throw some light on this matter be tabled.

(Text):

Mr. Bell (Saint John-Albert): Mr. Speaker—

Mr. Pickersgill: Hasn't the hon. member already spoken?

An hon. Member: If he has, he has unanimous consent.

Mr. Thomas M. Bell (Parliamentary Secretary to the Minister of Justice): Mr. Speaker, there has been for some days now a very interesting debate on this motion of the hon. member for Essex East. I have done considerable research; but having—

Some hon. Members: Oh, oh.

Mr. Bell (Saint John-Albert): —sat here and seen most of my material used by previous speakers I do find it difficult to raise something new.

Mr. Martin (Essex East): Then let us vote.

Mr. Bell (Saint John-Albert): However, it is very gratifying to take part in this debate because there are some serious thoughts that I wish to put forward. I had not realized that I might be one of the last speakers of this very interesting and productive pre-Christmas session of 1962; but none the less there is, even in these last minutes, some importance to the matter we are considering. In order to bring my thoughts back to the matter at hand I want to read the first part of the motion, which appears on the order paper today, which is the sixtieth day of this session.

Mr. Habel: Which page?

Mr. Bell (Saint John-Albert): It is page 20.

An hon. Member: What paragraph?

Mr. Bell (Saint John-Albert): These are the words of this motion:

> That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice—

Some hon. Members: Dispense.

Mr. Bell (Saint John-Albert): I continue:

> —or the privy council or any other government department or agency on the subject of surcharge and imports order—

Then it names the respective P.C. orders. It so happens, Mr. Speaker, that I do have the actual P.C. orders here. However, I am not going to take up the time of the house by reading them because I want to get down to the two basic issues that I feel have importance. I want to say very seriously that I think the hon. member for Essex East deserves credit for bringing this matter before the house. I think he has a very weak case and I think his argument when moving the motion proves that; but nevertheless it is an issue we should take time from our other busy work to consider, because it does have certain ramifications for the future.

Mr. Martin (Essex East): Mr. Speaker, would my hon. friend permit me to ask him a question?

Mr. Bell (Saint John-Albert): Yes.

Mr. Martin (Essex East): Since the hon. member has said he has no new argument to offer, does he not think it would be becoming of this parliament to decide this matter tonight by a vote, and does he not realize that if the government refuses a vote it is obviously afraid of being defeated tonight?

Mr. Fleming (Eglinton): Rubbish.

Mr. Bell (Saint John-Albert): Mr. Speaker, there is a temptation for me to break the happy festive spirit tonight and to answer old Scrooge from Essex East. However, I will not indulge in nasty remarks; I will simply say that I have one or two arguments that might be interjected here; and I add, in answer to the second part of his question—and surely this has been evident in the 60 days we have already sat—that this government is not afraid of anything.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): Then let us have a vote.

Mr. Habel: What about Bill No. C-81?

Mr. Pearson: Yes, what about the customs bill?

Mr. Bell (Saint John-Albert): There are, Mr. Speaker, two aspects—

Mr. McIlraith: There is no government.

Mr. Bell (Saint John-Albert): —of this motion that are significant. The first is the matter of the confidentiality of documents and the second, which is perhaps of greater importance and more concern, is the matter of legal opinions. Hon. members who have spoken previously have dealt with both these

aspects, but I want to run through the thoughts that come to my mind. First, with respect to the confidentiality of documents that may be a consideration of this house, Bourinot in his Parliamentary Procedure, fourth edition, makes certain observations. I mention these references, Mr. Speaker, particularly because the hon. member from Essex East in his opening remarks on this motion quoted from them but did not complete the quotations, and I feel they have considerable significance with respect to these types of document, whether they be public or private.

Mr. Pickersgill: Would the hon. gentleman permit a question? Could he speak more slowly.

Some hon. Members: Oh, oh.

Mr. Fairweather: Read the Toronto *Star* editorial of today. That might be useful.

Mr. Bell (Saint John-Albert): Mr. Speaker, I am always pleased to co-operate, particularly with regard to any matter the hon. member from Bonavista-Twillingate has difficulty understanding. I may say, judging by the list under his name in the *Hansard* index and his various interjections and points of order, that this includes nearly everything we have discussed this session. I refer to Bourinot's fourth edition, page 251:

> The practice of asking for reports from officers, addressed to particular departments of the executive government, is considered to be open to serious objection. As to "confidential documents" passing between officers of a department, Mr. Speaker Peel observes:—"They are not necessarily laid on the table of the house especially if the minister declares they are of a confidential character."

He continues:

> "If a minister stated in his place that a document was of that class, the house should take his word and he was not bound to lay it on the table."

I omit some of the references I have here in order to get all my thoughts on the record of *Hansard* this evening.

I will quote now from May at page 254:

> However ample the power of each house to enforce the production of papers, sufficient cause must be shown for the exercise of that power and if considerations of public policy can be urged the motion for papers is either withdrawn or otherwise dealt with according to the judgment of the house.

This follows my argument with respect to the confidentiality of documents. I refer now to the same issue of Beauchesne at page 179 where it is stated:

> A motion for a return may be opposed on the ground of public policy, such as that the disclosure of the information sought is not in the public interest or that its supply would involve unreasonable labour or expenses.

Then there is the part of the quotation from May which the hon. member for Essex East in his opening remarks neglected to make clear. I think it is a most significant argument with respect to the first part of this whole discussion concerning the confidential nature of all these documents. This is from May's sixteenth edition at page 273:

> Returns may be moved for, either by order or address relating to any public matter over which the house or the crown has jurisdiction. They may be obtained from all public offices, and from corporations, bodies, or offices constituted for public purposes, by acts of parliament or otherwise: but not from private associations, such as Lloyd's, nor from individuals not exercising public functions. The papers and correspondence sought from government departments should be of a public and official character, and not private or confidential.

In other words, the hon. member for Essex East quoted from this page in his opening remarks but did not distinguish between the type of information which is private and confidential and that which is not.

There are also a number of passages in *Hansard* which have relation to this matter of confidentiality. I refer particularly to the debates in the House of Commons, and there were many of them, in the 1955 session reported in volume 3, page 2434. This particular passage concerned the then minister of national defence, Mr. Campney. The motion was moved by the present Minister of Public Works (Mr. Fulton). I will quote Mr. Campney's words because they have some significance.

> As my hon. friend from Kamloops (Mr. Fulton) is, I am sure, well aware, the reports made by the chief auditor of the Department of National Defence are confidential documents dealing with investigations into the internal investigations of the department and are a means of checking the efficacy of the administrative practices of the department. They are prepared solely for the guidance of senior officers of the department. It has long been the custom in this house to regard such documents as privileged and I will therefore have to oppose this motion.

There are other instances. I recall the former minister of citizenship and immigration who is now, by the will of the Canadian people, merely the hon. member who sits for Bonavista-Twillingate making some remarks which bore out this contention.

Mr. Pickersgill: Mr. Speaker, I reluctantly rise on a point of order. I believe there is a rule in this house against tedious repetition and it seems to me that the hon. gentleman has so far transgressed the rule on both counts, particularly when for about the twentieth time in this debate I am quoted by the other side as an authority. Otherwise, perhaps I would not have raised the point. I suggest to the hon. member that he should let this matter be determined tonight—that

the government should allow it to be determined tonight. Is the government afraid it will be beaten?

Mr. Speaker: While the hon. member may be free to raise a certain point of order, some of his remarks were not at all germane to the point of order. As far as the question of whether debate may be tedious or repetitious is concerned, the Chair is not going to be dragged into any comment on that subject, because if we were to line up all those who were guilty of that I am afraid this chamber would be somewhat empty.

Mr. Bell (Saint John-Albert): When this matter of tediousness was mentioned I was about to quote from the hon. member for Bonavista-Twillingate, so there is no doubt about it; it would have been tedious and I probably was out of order.

Mr. Pickersgill: I recognized that myself.

Mr. Bell (Saint John-Albert): To continue my remarks. I merely wish to say that this question of confidentiality is important in order to get the frank opinions of civil servants in these various documents and reports which are made available interdepartmentally. I think that has been proved and, probably there is little disagreement about that among all members of the house.

However, I turn now to deal with the second matter which is of considerable interest to lawyers and all who take these questions seriously. I wish to refer to the subject of legal opinions. I have some quotations to put on record in this regard. I will begin by quoting from Bourinot. This is from page 253 of the fourth edition:

> A sound rule generally observed by the house is that proceedings before a court of justice are not given except for public purposes and still more is this the rule when a case is pending.

Another opinion which, possibly, is more germane, is from Campion, the third edition, at page 197. I am sorry the hon. member for Essex East, who is apparently so interested in this matter, did not have the time to look up these quotations.

Mr. Martin (Essex East): They have been put on the record ten times already in this debate.

Mr. Bell (Saint John-Albert): I am not certain that this one from Campion has been quoted. This is in respect of law officers' opinions:

> These opinions, being confidential, are usually not laid on the table or cited in debate, and their production cannot be demanded as of right but a minister is not debarred from citing them if he chooses.

This is very destructive, if I may say so, of the contentions of the hon. member for Essex East.

In the course of my research I came across an interesting debate which took place in 1947. I know this is not being referred to in any great detail in connection with this motion. This relates to some remarks which were made by the then hon. member for Broadview, the irrepressible Tommy Church. I mention this because not only does it have a very pertinent relation to the debate but it also shows the great clairvoyance which that hon. member possessed with regard to this question becoming a future issue. No doubt some hon. members will remember this debate. Perhaps the hon. member for Bonavista-Twillingate, though he was not in this chamber, was in the back room and will recall the discussion which went on at that time. It was the famous debate on the emergency powers.

Mr. Pickersgill: What page is this?

Mr. Bell (Saint John-Albert): Page 1790 of 1947 *Hansard*, volume II. I am not prepared this evening to discuss in a very informed way this emergency powers debate, but I do want to quote from the speech made by the then member for Broadview, who as everyone knows was succeeded by the Minister of Trade and Commerce (Mr. Hees), who has done such a job in supporting Canada's interests. However, to get back to the former hon. member's criticism, he said, as reported on page 1790:

> I have great admiration for the minister in many ways. In 1924 I asked the Minister of Justice a question when he got up to give an opinion on a matter concerning the Toronto hydro electric commission which was before the privy council and with which I had something to do on this side of the water. The minister was asked by the head of what was then called the progressives to give an opinion, and he gave that opinion. After he had spoken I called his attention to the fact that the Minister of Justice should not do what was done last Friday night.

That was with reference to the emergency powers debate.

> It has been a rule since confederation that the Minister of Justice, who is the Attorney General of Canada, should not be asked to give a legal opinion. I raised this question in 1924 and his predecessor said that I was right.

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

Mr. Bell (Saint John-Albert): Yes.

Mr. Knowles: If the hon. member and his colleagues are so sure of the decision, would it not be reasonable to let the house come to a decision tonight?

Mr. Bell (Saint John-Albert): I think the house will still benefit by hearing my modest remarks. I want to say to the hon. member

for Winnipeg North Centre (Mr. Knowles), who is undoubtedly some sort of expert on house procedure in constitutional matters, that I thought his argument in this debate was very weak. In fact, he did not deal at all with this problem of the confidentiality of documents and legal opinions, and I would be very interested at some later date—because obviously there is not time this evening—to hear him in a pointed way express himself as to whether he thinks legal opinions should be tabled in this house.

Mr. Knowles: Is the hon. member not aware that I have expressed my opinion on that matter already?

Mr. Speaker: Order. In accordance with the order made earlier in this sitting, the hour for consideration of private members' business has now expired.

Mr. Pickersgill: Mr. Speaker, on a point of order, it was clearly understood that the five minutes taken by the hon. member for Trinity (Mr. Hellyer) would not be deducted from the hour, and that there would be one hour permitted for this measure. I am sure that that is the basis on which we facilitated the supply and the Montreal bill, and there is yet five more minutes.

Mr. Fleming (Eglinton): It was not five minutes.

Mr. Pickersgill: Well, if the government wants to close the debate and shut us off—

Some hon. Members: Oh, oh.

Mr. Churchill: Read tonight's Toronto *Star*.

Mr. Pickersgill: I have read it.

Mr. Speaker: As far as the Chair is concerned there was an order made earlier today, and the hon. member for Trinity asked for a certain right which was in derogation of the order. Of course, the house can continue if it so desires, but I am within the four corners of this room and the order made therein today. What is the desire of the house?

Mr. Martin (Essex East): Mr. Speaker, may I suggest that in view of the fact that we are about to celebrate Christmas and that the government feels strong in its position in this house, the government ought to test that position and give the house an opportunity tonight, before the new year, to show how weak the government is by its refusal to have a vote.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I understood the hon. member rose on a point of order, but I fail to see what the point of order is.

[Mr. Bell (Saint John-Albert).]

Mr. Martin (Essex East): I was a little impulsive.

Mr. Bell (Saint John-Albert): Mr. Speaker, I appreciate that there are certain agreements which have been made. I have one or two minutes more, if I could finish my remarks. I was quoting from the hon. member for Broadview in 1947—

Mr. Speaker: Order. I regret that the hon. member's time has expired.

Some hon. Members: Question.

Mr. McGrath: Mr. Speaker, on the point of order raised by the hon. member for Bonavista-Twillingate, if I recall, when the house gave consent to the hon. member to move his bill five minutes was asked for, and in fact the hon. member only used two minutes of the time of this house. Consequently, I submit that the time has now expired.

Some hon. Members: Question.

Mr. Fleming (Eglinton): The hour has expired.

Mr. Churchill: Mr. Speaker, the arrangement has been completed. A full hour has been allowed for this purpose. Although it might have been interesting to draw the matter to a conclusion tonight, I myself have some remarks on this vital matter affecting the conduct of parliament, which will be helpful to an opposition which at one time might have hoped to get back into office—

Mr. Bell (Saint John-Albert): But not after yesterday.

Mr. Churchill: —but not after yesterday. I think their chances now are slim.

If we may now revert to government business, I have a suggestion to make to the house which the house might find agreeable. As far as the government is concerned, we would be prepared at this stage to deal with the divorce bills and to pass those tonight in the few minutes which are remaining, if the house so desires. We would gladly give the time for that purpose.

Mr. Pickersgill: Mr. Speaker, I want to register a formal protest at what has just happened. This afternoon we gave our consent in good faith to allow the government to get through its supply after a motion has been passed, which if we had not so consented would have left this country without any supply until January 21. We did that, as I say, in good faith and on the clear understanding that there was to be one hour allowed for my hon. friend's motion. The hon. member for Trinity asked for five minutes for his bill outside of that hour.

Mr. Fleming (Eglinton): He did not take five minutes.

Mr. Pickersgill: Mr. Speaker, the government has not carried out its undertaking which was given to this side of the house in a co-operative way.

Mr. Speaker: Order, please.

Mr. Pickersgill: If the government will not allow me to speak when I am talking about the rights of parliament—

Some hon. Members: Oh, oh.

Mr. Speaker: The hon. member for Trinity was allowed to proceed, not by the government but by the house. Therefore, there is no question. Unanimous consent was given by the house, not by anybody else.

Mr. Pickersgill: I suggest to Your Honour most respectfully that when the record is examined tomorrow it will be seen that my hon. friend from Laurier at the time—it may have been my hon. friend from Essex East, I am not sure which—made it very clear before consent was given that there was to be a clear understanding that there would be one hour allowed in addition for this measure.

Mr. Fleming (Eglinton): Mr. Speaker, on a point of order—

Mr. Martin (Essex East): Mr. Speaker, I have here the actual transcript—

Mr. Speaker: I will hear the hon. member afterwards, and I will see the Minister of Justice (Mr. Fleming).

Mr. Fleming (Eglinton): Mr. Speaker, on a point of order, I have taken very definite steps tonight to observe the time which was involved. The hon. member for Trinity did not take five minutes. He took three minutes; and a full hour, 60 minutes, from 12 minutes to 9 till 12 minutes to 10, was taken on this motion to produce papers.

Mr. Pickersgill: I looked at the clock and it was ten minutes to.

Mr. Fleming (Eglinton): I looked at the clock and it was 12 minutes to nine when the hon. member for Edmonton-Strathcona (Mr. Nugent) rose to speak on the notice of motion for the production of papers.

Mr. Martin (Essex East): Mr. Speaker, so that there is no doubt that the hon. member for Bonavista-Twillingate (Mr. Pickersgill) will be proven correct by the record, you said at one point that the hon. member for Trinity sought leave to consider Bill No. S-16 in priority to the notice of motion for production of papers. Then I observed:

Mr. Martin (Essex East): Mr. Speaker, on a point of order—

Mr. Speaker: Order. May I inquire what the hon. member is reading?

Mr. Martin (Essex East): I am correcting my blues and I have my words here.

Mr. Speaker: With great respect may I draw to the attention of the hon. member the fact that he may not quote from the blues. It is against the rules. I think he will recognize that fact.

Mr. Martin (Essex East): I know that rule is supposed to exist, but I would be grateful if Your Honour would point out where in the rules it is stated that when the blues have been delivered and a member is in the process of correcting them, he is precluded, in a conflict like this one, from seeking to substantiate what the record is by reading from those blues. I should like to know what rule prevents my so doing.

Mr. Fleming (Eglinton): The rules of the house.

Mr. Pickersgill: Where is it in the rule book?

Mr. Speaker: The blues may not be referred to.

Mr. Martin (Essex East): There is no such rule.

Mr. Pickersgill: Why are members opposite afraid of the record?

Mr. Speaker: In any event the hour provided for the consideration of private members' business has long since expired.

Mr. Churchill: Before calling a government order I again repeat my suggestion and hope that the house would deal with divorce bills which now number so many hundreds on the order paper. Is there consent to that procedure?

Mr. Speaker: There cannot be consent. The hour for private members' business has expired. We are back on orders of the day.

Mr. Churchill: I was suggesting that the house devote this time to private members' business. That is something that could be done by unanimous consent.

An hon. Member: No.

Mr. McCleave: I hope it is noted for the record that the hon. member for Cape Breton South is the one who objects to that humane procedure.

Mr. Barnett: Mr. Speaker, may I point out that the hon. member for Cape Breton South is not here to object.

Mr. Churchill: I would ask that item No 25 be called.

Mr. Pickersgill: How about calling the customs tariff? It was urgent three months ago.

JUDGES ACT

AMENDMENTS PROVIDING ADDITIONAL JUDGES IN NOVA SCOTIA AND BRITISH COLUMBIA

The house resumed from Wednesday, November 21, consideration in committee of the following resolution—Mr. Fleming (Eglinton)—Mr. Fairweather in the chair:

That it is expedient to introduce a measure to amend the Judges Act to provide for salaries for two additional judges of the supreme court of Nova Scotia, including one chief justice, and for one additional judge of the court of appeal for British Columbia.

Mr. McIlraith: I should like to point out, even at this late hour, that this is not one of the measures listed by the government as urgent. Those measures we were led to believe were urgent at the time parliament was convened this fall, for the first time after the general election, have not yet been brought forward for consideration.

Mr. Starr: They are all on the order paper.

Mr. McIlraith: Yes, they are on the order paper; but the government has failed to bring them forward for consideration. If the Minister of Labour is interested in this bill, I shall be interested in hearing him discuss it. If he is not interested in it, I suggest that he devote his mind to government business and give it some of the attention which it deserves, if the people of Canada are not to be adversely affected by the delinquency of the government in failing to consider public measures which affect the people of Canada.

Mr. Fulton: That is a fine contribution.

Mr. McIlraith: The hon. member's comment is interesting, if useless. However, the point I wish to make about this matter is that it provides an opportunity for a short discussion on a matter which I believe affects the judicial system in Canada in a real way; I refer to the matter of judicial salaries. A situation is now revealing itself whereby, owing to the inadequacy of judicial salaries, the Minister of Justice and the government in making these appointments find it difficult to get the kind of appointees that all hon. members of the House of Commons would wish were available for appointment.

While I am not one of those who assert or believe that judicial salaries need necessarily be in keeping with the current income that an able professional lawyer could earn in private practice, I believe they must be adequate to guarantee that a judge being appointed has complete independence and security of office, and is enabled to live in a way in which he will not be put in an inferior position in the community.

At the present time I am afraid that, with the rising cost of living in the last number of years, the judicial salaries in this country are such that judges are put into an inferior position in relation to the community at large. I should like to develop this subject at some length. I believe it is of the utmost importance in our governmental system that the position of the judiciary be maintained by every means possible, having regard to its independence and the respect in which it is held in the community, and so that we are enabled to get for appointment to these positions the best possible persons available.

An hon. Member: Ten o'clock.

Mr. McIlraith: I need not remind the Minister of Justice that he has just recently been obliged to appoint a superannuated civil servant, whole legal training comes from one province, to a judicial position in another province as a result of lack of willingness of qualified personnel he might have wished to appoint to that position. I think this is something—

Mr. Fleming (Eglinton): I do not understand what the hon. member is referring to.

Mr. McIlraith: I do not wish to identify the position more clearly than that. What I said was this, and I will repeat it. The Minister of Justice has recommended to his government, and his government has appointed a retired civil servant to a judicial position in one province, although the training of that retired civil servant was in another province altogether. That procedure was made necessary—

Mr. Fleming (Eglinton): The hon. member is quite wrong.

Mr. McIlraith: I am quite familiar with the situation. The minister's denial is not sufficient treatment of the subject.

The Acting Chairman (Mr. Fairweather): Order. I regret to interrupt the hon. member but it is ten o'clock.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Speaker: As the house is aware, we are awaiting the call of the messenger from His Excellency the Governor General. They are still considering a certain matter in the other place. We can either suspend the sittings to the call of the Chair or we can wait here. I am open to suggestions.

Mr. Pickersgill: If I may make a suggestion, I would say that since the government has a

great deal of urgent business and it is so anxious to get through, since the first item of government business is the Customs Tariff, which in early October we were told was a most urgent matter, we would be only too happy to proceed until Black Rod comes by debating the Customs Tariff measure. I am sure there would be unanimous consent from all opposition parties to this course to assist the government by getting on with the measure, and perhaps disposing of it.

Mr. Churchill: This is unfair to hon. members because several wanted to speak on this important subject and they are not here.

Mr. Pickersgill: Where are they?

Mr. Churchill: They are Liberal members, as I understand it, who wanted to speak on this subject. I feel, therefore, we should suspend to the call of the Chair. The bells will ring and we will come back.

Mr. Pickersgill: Perhaps I may take this opportunity to ask the minister what business we will be asked to undertake on January 21 when we come back to the house, so that hon. members will have an opportunity to be prepared to deal with the business expeditiously? Can he give the business for the whole week?

Mr. Churchill: No question could be easier to answer. The order paper contains many items of government business, some of which have already been called and have proceeded one or two stages. I think if hon. members prepared for all the matters appearing under the heading "Government Orders", during the recess, then they will be prepared to go ahead on January 21 with any of the bills or resolutions which are therein inscribed.

Mr. Pickersgill: This is more evidence of the fact the government does not know where it is going or what it is doing.

Mr. Knowles: May I ask the house leader whether we will not be presented with a motion to go into supply on the first Monday we come back, because there are many supply motions that have yet to be passed in order to get all the departments into the committee.

Mr. Churchill: The suggestion will be considered. We could also proceed with the divorce bill on the day we come back. Perhaps the hon. member in his party will negotiate with us and give us some understanding on that score.

Mr. Speaker: The sitting will be suspended to the call of the Chair, and the bells will be rung.

At 10.05 p.m. the sitting was suspended.

SITTING RESUMED

The house resumed at 10.30 p.m.

THE ROYAL ASSENT

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

Mr. Speaker, the Right Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker, with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting the trustee board of the Presbyterian Church in Canada.

An act to incorporate the Christian Brothers of Ireland in Canada.

An act respecting Merit Insurance Company.

An act to amend the Department of National Health and Welfare Act.

An act to amend the Food and Drugs Act.

An act to provide for the establishment of an Atlantic development board.

An act to amend the Coal Production Assistance Act.

An act respecting the construction of a line of railway in the province of New Brunswick by Canadian National Railway Company from Nepisiguit Junction on the Bathurst subdivision of the Canadian National Railway in a southerly and westerly direction for a distance of approximately 15 miles to the property of Brunswick Mining and Smelting Corporation Limited.

An act to amend the National Housing Act, 1954.

An act to amend the Federal-Provincial Fiscal Arrangements Act and the Federal-Provincial Tax-Sharing Arrangements Act.

An act respecting the Imperial Life Assurance Company of Canada.

An act to establish the Canadian World Exhibition Corporation.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1963.

Mr. Speaker: Before closing the business this evening I should like to extend to all hon. members present and, through you, to those who are not with us at this time, on behalf of the house officers and myself our most sincere wishes for a Merry Christmas and a happy and prosperous new year.

Mr. Pickersgill: Before Your Honour leaves the chair I should like to express to Your Honour, to the Deputy Speaker, to the deputy chairman of committees and to all the officers and servants of the house the same good wishes which Your Honour has expressed to us on their behalf. I would go on to wish every hon. member, even the hon. member for Winnipeg South Centre (Mr. Churchill), a Merry Christmas. However, I cannot bring myself to wish this parliament a happy new year.

Royal Assent

Mr. Nowlan: Mr. Speaker, at the request of the house leader I should like to utter the same wishes that have been uttered by my good friend from Bonavista-Twillingate and yourself as to the officers of the house and all those who have worked so well and so hard in helping us to discharge our duties, and to all members of the house. Despite the jaundiced prejudices of the hon. member for Bonavista-Twillingate I can assure him that the government is going to have a very happy new year and that because of that this house is going to be a much better one.

(Translation):

Mr. Azellus Denis (St. Denis): Mr. Speaker, to close on a French note, may I offer to everybody my best wishes for a Merry Christmas and a Happy New Year "et le paradis à la fin de vos jours".

(Text):

Mr. Knowles: Mr. Speaker, we of this party should also like to join in felicitations to all the members of the house, to the officers who have served us and finally in wishing a Merry Christmas and Happy New Year to yourself and Mrs. Lambert.

(Translation):

Mr. J. P. Cook (Montmagny-L'Islet): Mr. Speaker, on behalf of the Social Credit group, I would like to offer you our best wishes for a Merry Christmas and a Happy New Year, hoping that you will come back on January 21 next, in as great a form as you have been since September 27. I also take this opportunity to offer, on behalf of all my Social Credit colleagues, to all the hon. members of this house our best wishes for a Merry Christmas and a Happy New Year.

Mr. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, allow me also, on behalf of the French speaking members of the province of Quebec, to express my best wishes for a Merry Christmas, a Happy New Year and the best of health, to you, your spouse and your family, and to all my colleagues in the House of Commons.

Mr. Speaker: I am most pleased to accept the good wishes expressed not only to me but also to my wife and my family. Needless to say that I do express the same wishes to all of you.

(Text):

At eleven o'clock the house adjourned, without question put, until Monday, January 21, 1963, at 2.30 p.m., pursuant to the order of the house passed December 20, 1962.

HOUSE OF COMMONS

Monday, January 21, 1963

The house met at 2.30 p.m.

BUSINESS OF THE HOUSE

STATEMENT BY PRIME MINISTER ON ITEMS TO BE DEALT WITH

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, with the consent of the house I should like to make a statement on the business of the house. I should like to commence, of course, by wishing all hon. members of the house the very best during the new year, within the limitations that hon. members opposite fully understand.

With the resumption of the sittings it is natural that hon. members would like to have a general idea of the business to come before the house. At the time of adjournment on December 20 there were 24 items of business on the order paper. Several more are being added today and will appear in *Votes and Proceedings*. These will include a resolution to permit the introduction of an extensive bill to amend the provisions of the Railway Act, based on recommendations made by the MacPherson royal commission. Also there will be a resolution arising out of certain recommendations of the O'Leary royal commission on publications. In due course there will be some further measures, including one to amend the Unemployment Insurance Act following the report of the Gill committee. It is evident, therefore, that the house faces a heavy volume of work during the remainder of the present session.

The house might also wish to have the view of the government—and I hope this is shared by hon. members in all parts of the house—in relation to the sequence of business. Parliament has already voted approximately ten twelfths of the estimates of the current 1962-63 fiscal year. I hope all hon. members will concur with the government's desire to have these estimates passed in their entirety as soon as possible and thus avoid any necessity for further votes of interim supply. It is no more the wish of the government than it is that of hon. members in the opposition that further fractional amounts be voted in the absence of approval of the estimates in the ordinary manner in committee of supply and by the enactment of an appropriation bill.

To date in the present session there has been one supply motion and the estimates of the following departments have already been moved into committee of supply: external affairs, agriculture, labour, transport, post office and national revenue. I propose and suggest that representatives of the three parties, who have already met, should continue to meet with the leader of the house to discuss a method of expediting consideration of the estimates for the fiscal year 1962-63.

Some time ago I gave an assurance that it was the desire of the government to introduce the budget for the 1963-64 fiscal year earlier than has been the custom in the past. The early disposal of the estimates for 1962-63 will enable the Minister of Finance to bring a budget before the house accordingly.

There have been a number of requests for a debate on external affairs. Indeed, the house has been desirous of an opportunity to consider a number of matters comprised within that department. It was also, it appears, the general desire than an early opportunity should be given for a debate on questions pertaining to national defence. The government concurs in these wishes and proposes to call the estimates of the Department of External Affairs for consideration in committee of supply on Thursday and Friday of this week. In this way the fullest opportunity for the discussion of these questions will be provided. In other words, during the course of the discussion following the opening on the subject of external affairs the whole question of defence could be considered even though the estimates in that regard would not be by motion before the house. We are prepared to make available every opportunity in this regard to the end that this most important matter, which in the last two or three weeks has received considerable attention outside the house, may receive the consideration of hon. members.

This is a very heavy program of government business awaiting the attention of the house, and it is obvious that the co-operation of all parties—I emphasize "all parties"—will be necessary if this volume of business is to be transacted within a reasonable period of time. Without going into any matter which might cause division or diversion in the house at the moment, may I say that the government is prepared to propose an extension of the hours of sitting or any other measures

which may be acceptable to the house so as to facilitate the transaction of this business. I express the hope that the discussions among the representatives of all parties in his chamber which commenced this morning at the invitation of the government will be fruitful in devising plans to give effect to the co-operation so generally, I think, desired both in this house and outside.

Hon. L. B. Pearson (Leader of the Opposition): I am sure all members of the house, and certainly we on this side, have listened with great interest to the Prime Minister's proposals some of which, if I understand him correctly, would represent a drastic alteration of the rules of the house. We shall, of course, take these proposals into immediate consideration from the opposition point of view, having regard to our responsibilities as an opposition both to the country and to parliament, and with a desire to co-operate with the government within the rules which protect the rights and the freedom of members of the House of Commons and the rights and freedom of the people.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, we in this corner of the house are gratified that there is a prospect of getting down to the really serious business which is our responsibility in this house. However, in considering the remarks which the Prime Minister has just made I would remind him that this is not only a question of co-operation by all parties in the house; it is also a question of follow up and carry through as far as the government is concerned on what is done.

I trust that as we discuss this point amongst ourselves, as we have already heard about from our house leaders, we will have the assurance that we really are going to make progress in this outline of work which has been given to us. I assure the Prime Minister that for our part we are only too anxious to get down to the real business which is before us, and in so far as it relates to our own responsibilities I can assure him that we will co-operate in every reasonable manner. Certainly there is a great deal of business which needs to be done. We realize that before we can get down to the business of a new budget we have to clear the supply motions regarding the last budget. We must also clear the needed interim supply motion. As this relates to work that is our essential business, I hope we can really settle down to the prospects of work in the new year. We will give our wholehearted co-operation to it.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the proposals which the Prime Minister has just made were, I understand, conveyed to the whips of the various groups at a meeting held this forenoon. No opportunity has been given to transmit those views, certainly to myself and I suspect also to the leaders of the other groups, and certainly no opportunity has been given to discuss them with the members of this house. I think that opportunity will have to be given for consideration before any decision can be made.

Mr. Speaker, I do want to point out, for this group that the proposals ask for a tremendous surrender by the members of this house of their rights and responsibilities. We still have five supply motions which have a place in our parliamentary system. Except for two or three departments which have been opened, we still have to bring in all the departments. The purpose of going through estimates is not only to pass sums of money but to provide members with an opportunity to question ministers regarding policies and programs, and to ascertain something about the working of each department. What we are being asked to do is to surrender all of this and to pass in a lump sum great quantities of money without any opportunity for a thorough investigation of the work of the departments. I point, for instance, to defence as a good example. It is now being suggested that we have a two day debate on defence and external affairs. Is this a substitute for a thorough opportunity in committee of supply to question the ministers concerned and get information regarding their departments? It is the kind of information we must have.

I wish to say that it seems to me to be almost completely unheard of that any members of parliament should be requested to undertake this vast surrender of their responsibilities without a much greater opportunity for discussion as between the groups than has been provided so far. We shall be glad to consider this suggestion and to discuss it with the leader of the house and on the floor of the house when this matter is before parliament itself.

Mr. Diefenbaker: I shall not reply to what the hon. gentleman has said, Mr. Speaker, except to say that there is no surrender. I am asking for the consent of the house.

EXTERNAL AFFAIRS

STATEMENT BY PRIME MINISTER ON NASSAU MEETINGS

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think I should now make a statement with regard to the meetings with President Kennedy and Prime Minister Macmillan. At Nassau before Christmas I had discussions with the President of the United States and Prime Minister Macmillan on the grave policy questions facing the western alliance in the political and defence

fields. I also had extensive discussions with Mr. Macmillan on the various problems of mutual interest to our two countries, and had the benefit of his views on the United States-British talks which had taken place prior to and for a short time after my arrival there.

The agreement reached by Britain and the United States at Nassau represents the first firm commitment to certain ideas concerning military policy in the western alliance which has been evolving for some time. I refer to problems mainly affecting the control of the nuclear deterrent forces of the west. The British and United States leaders agreed that in order to develop new and closer arrangements for the organization and control of the NATO defence effort, a start could be made by subscribing to NATO some of the nuclear forces already in existence, and in particular allocations from United States strategic forces, British bomber command and from tactical nuclear forces now held in Europe. This latter suggestion has relevance for Canada and in the NATO council is now the subject of intensive discussion in which Canada is fully participating. For the longer term the British prime minister and the president agreed to the furnishing of Polaris missiles to Britain to be made available for inclusion in an eventual NATO multilateral nuclear force, with a similar offer to France.

At Nassau the whole question was raised of how political and military control would be exercised in the future within the western alliance. The discussions among the western allies are bound to continue for many months to come, and I would not expect any firm decisions in the near future. The Nassau agreement aims at preserving an objective long sought by this government, namely a limitation of the further enlargement of the nuclear family in the national sense.

It was also agreed at Nassau by the two leaders in question that in addition to having a nuclear shield it was important to have a non-nuclear sword and to increase the effectiveness of conventional forces available to the alliance. It has been the policy of the Canadian government to support the build-up of conventional forces in Europe. The house will recall that on the occasion of the Berlin crisis in the autumn of 1961, Canada increased the strength of its forces in Europe. The purpose of increasing the conventional strength is to ensure that if the western alliance is ever faced with aggression from its enemies it will have sufficient strength in non-nuclear forces to avoid the disastrous choice between surrender and all-out nuclear war.

These are the important questions of strategy which are now in the process of being exhaustively examined in the NATO council. Indeed, I believe that the whole future direction and shape of the military forces of NATO are now in process of review. The enormous costs of modern weapons systems and the speed with which they become obsolescent dictate the utmost care in reaching final decisions. It would be premature at this stage to say anything further about western defence policy until there is a clear indication as to whether or not some form of NATO multilateral nuclear force can be worked out.

I realize that the communiques in question have received full press coverage, but hon. members in the house might like to have these joint communiques tabled. If the house agrees, I therefore suggest that they be tabled.

Mr. Douglas: Printed in *Hansard.*

Mr. Diefenbaker: The hon. member for Burnaby-Coquitlam suggests that they be placed on *Hansard.* If that is agreeable, I am within the desire of the house.

Mr. Speaker: By leave, the Prime Minister asks to have these statements printed in *Hansard* as part of the record. Is it agreed?

Some hon. Members: Agreed.

[*Editor's note: For text of communiques above referred to, see appendix "A".*]

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I am sure we on this side have listened with great interest to the Prime Minister's observations on the recent conference at Nassau, and have learned from him what indeed we had previously learned from the press, that the question of a NATO nuclear deterrent was given further consideration by the leaders of the three governments at Nassau; this matter, indeed, has been under consideration now for a good many years going back to the days when those members of NATO, including Canada, first accepted a commitment in NATO which cannot be discharged effectively without nuclear arms.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, with regard to the remarks of the Prime Minister concerning the Nassau conference, I should only like to say that these and other statements which have been made since then have drawn to our attention and also to the attention of the public at large the need of a general debate on defence matters. I trust that if the work program that has been suggested can be agreed to we can then look forward in the very near future,

this being no time for a debate on this subject, to a full discussion of this very vital matter.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, all I want to say is that we are developing the habit of dealing with very important matters on motions, when the Prime Minister or the Secretary of State for External Affairs makes a statement and each of the leaders makes some impromptu remarks. This all points up the need of an opportunity for a very full discussion of this question in the House of Commons.

As far as our group is concerned, I want to say that we view with increasing apprehension the suggestion of a multinational nuclear power being built up in NATO, and we will certainly welcome an opportunity for an early discussion of this matter on the floor of the house.

STATEMENT ON MEETING OF CANADIAN-JAPANESE MINISTERIAL COMMITTEE

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I should like to make a brief report to the house on the first meeting of the Canada-Japan ministerial committee which was held in Tokyo on January 11 and 12.

Hon. members will recall that the Canada-Japan ministerial committee was established during the visit of Prime Minister Ikeda to Ottawa in June, 1961. Its terms of reference as set out in the joint communique issued by the two prime ministers are as follows:

> The two prime ministers agree that in view of the increasing importance of Canadian-Japanese relations, there should be established a Canadian-Japanese ministerial committee which would not be a negotiating body but would provide a valuable means of contact between ministers of the two countries. The activities of the committee would consist primarily of visits of ministers to each other's country from time to time to exchange views on matters of common interest, particularly in the economic field, and to familiarize themselves with the problems of the other country.

At this first meeting of the committee my colleague the Minister of Fisheries and I had the honour to represent Canada, together with the under secretary of state for external affairs, the deputy minister of trade and commerce, the deputy minister of national revenue (customs and excise), the Canadian ambassador to Japan, and other officials. The Japanese representatives were the minister for foreign affairs, the minister of finance, the minister for agriculture and forestry, the minister for international trade and industry, the minister of state and director-general of the economic planning agency, and the Japanese ambassador to Canada.

All those who participated regarded this meeting as an outstanding success. It demonstrated clearly the valuable contribution this committee can make toward closer relations between Canada and Japan, which are already very friendly, and toward developing a fuller understanding in each country of the problems and aspirations of the other.

As I shall be tabling copies of the communique I need not recount the outcome of this meeting in full detail. I should like, however, to mention some of the most important items.

The meeting began with a general review of economic conditions and prospects in both countries. This was followed by a comprehensive discussion of trade relations between Canada and Japan. This discussion was forthright and candid, yet completely friendly throughout. We reviewed the remarkable growth of trade in both directions since the conclusion of our trade agreement in 1954, and there was general agreement that there were excellent prospects for the continued expansion of mutually beneficial trade.

On the Canadian side we explained the difficulties that arose for certain Canadian industries when Japanese exports of highly competitive products were concentrated too heavily in particular lines, and we urged Japan to diversify its exports as much as possible. In this connection the Japanese representatives reiterated that Japan would adhere to the principle of orderly marketing of Japanese exports to Canada of products competitive with our own production. I should make it clear that we did not discuss the question of the levels of export restraint Japan will apply in relation to Canada in 1963. This committee is not a negotiating body, and the consultations in regard to Japan's export restraints are proceeding through the normal channels.

The committee had a particularly valuable discussion of recent developments in international economic relations. I quote from the communique:

> The committee took special note of the joint initiative taken by the Prime Minister of Canada and the President of the United States in calling for a meeting of ministers to set in train a broad program for the liberalization and expansion of trade. The committee welcomed the fact that this meeting would take place under the auspices of GATT in the early part of 1963. The committee stressed the importance of achieving the broadest participation in the tariff negotiations which would follow the meeting of ministers and emphasized that such negotiations must be based upon the unconditional most favoured nation principle. The committee recognized the need to make progress in all sectors of trade.

We also discussed the forthcoming United Nations conference on trade and development. We agreed that Canada and Japan

should work closely together in the preparatory committee in order to ensure the success of the United Nations conference.

Since the inception of the organization for economic co-operation and development (O.E.C.D.), Japan has been an active member of the development assistance committee of that organization, but has not participated in its other activities. There is a growing recognition among members of the O.E.C.D. that Japan, as a leading industrial and trading country, could make a valuable contribution to the work of the organization and that fuller participation by Japan is therefore desirable. In our meeting in Tokyo we expressed the support of the Canadian government for full Japanese membership in the O.E.C.D.

Another important subject of discussion was our mutual interest in a number of fisheries matters. While this was not an occasion for negotiations or for seeking commitments on either side, the committee had a full and useful review of the issues involved.

It was also agreed that negotiations should be initiated between the two governments for the conclusion of an agreement for the avoidance of double taxation.

My report would not be complete without an expression of appreciation for the hospitality and friendship accorded to us on all sides during our visit to Tokyo. We received the warmest welcome by the prime minister and the other Japanese ministers, and indeed by all the Japanese we met. The arrangements made for the meeting were excellent in every respect. My colleagues and I in the Canadian government look forward to the opportunity of welcoming our Japanese friends to Ottawa when the next meeting of the committee takes place.

I am tabling copies of the joint communique. If the house so desires I would ask that the communique be printed as an appendix to *Hansard.*

Mr. Speaker: The minister proposes that the communique be printed as an appendix to *Hansard.* Is it agreed?

Some hon. Members: Agreed.

[*Editor's note: For text of communique above referred to, see appendix "B".*]

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I am sure hon. members will have listened with interest to the report of the Minister of Justice on his return from his trip to Japan where he took part in trade negotiations. I had the opportunity of following some of these discussions in the columns of the English language Japanese paper, in Tokyo which pays tribute to the work done by the minister at these meetings and which reports him as reminding, in the course of these trade negotiations, the Japanese ministers that Canada's unemployment rate is perhaps the highest in the free world. I hope the minister will not be accused of being a prophet of doom and gloom on his return.

Mr. Fleming (Eglinton): On a question of privilege, Mr. Speaker, I made no such statement. I saw that sentence appearing in the press and took steps to see it was corrected by information extended to the press. No such statement was made.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, it having been my privilege to help prepare the way for the visit of our honourable delegation from Canada to Japan I can say that we in this party have listened with much interest to the report of the discussions which took place. Certainly they are the kind of thing of which Canada needs more. If we are going to have any solid trade pattern at all in the Canadian economy we must expect to buy if we want to sell, and it is discussions like these which help our trade relationships achieve a greater depth of understanding.

I would just remark that herein is the pattern that ought to be developing with many other nations, where our trade has not reached the proportions which it could and must reach if we are to go forward into the tremendous potential of the era which is ahead of us. I too would like to emphasize the interest which the Japanese have in Canada, but I believe there is a woeful lack in information exchanged between our countries, information which is necessary to develop a greater understanding on the part of the public.

One of the most common questions I was asked was "Could you send us some films dealing with your Eskimos and Indians?" This is just part of a pattern which is healthy and which I trust will be greatly extended in the future.

There is one other remark I should like to make, and I think it is relevant to what the minister said. In speaking about the preparations for this conference he referred not only to the Japanese officials but also to our representatives in that country. Certainly I found that our Canadian people are held in great regard and high esteem in countries like Japan, and this is another reason why we can make discussions such as these as successful as they have been.

Introduction of Bills

BANKRUPTCY ACT

AMENDMENTS WITH RESPECT TO PRIMARY PRODUCTS

Mr. Eugene F. Whelan (Essex South) moved for leave to introduce Bill No. C-106, to amend the Bankruptcy Act (crops under processing).

Motion agreed to and bill read the first time.

AMENDMENTS RESPECTING ADMINISTRATION OF SMALL ESTATES

Hon. Donald M. Fleming (Minister of Justice) moved the first reading of Bill No. S-2, (from the Senate), to amend the Bankruptcy Act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

HOSPITALIZATION OF B.C. INDIANS

Question No. 996—**Mr. Howard:**

For each month since November 1, 1961, how many Indians, by band, of which each was a member, in the (a) Fort St. John Indian agency and (b) that part of the Yukon Indian agency which is in B.C., have been hospitalized, in which hospital, and for what ailment?

Mrs. Casselman:

(a) FORT ST. JOHN INDIAN AGENCY

Band	No. Treated	Hospital	Diagnosis
November, 1961			
Slave of Fort Nelson band....	1	Whitehorse general hospital....	Infectious hepatitis
	1	Charles Camsell hospital.....	Haemangioma
	3	Ft. Nelson general.....	Pneumonia
	1	"	Iritis
	1	"	Chronic bronchitis
	2	"	Coryza
	1	"	Nutritional deficiency
	1	"	Infectious hepatitis
	1	"	Burns
	1	"	Pneumonia
	1	"	Hepatitis
	3	"	Bronchitis
	1	"	Otitismedia
	1	"	Gastritis
	2	"	Cyesis
	1	"	Infected eye
	1	"	Gastroenteritis
	1	"	Asthma
	1	"	Abdominal pain
	1	"	Dehydration
	1	Miller Bay ind. hospital.....	Pulmonary T.B.
Hudson Hope band.....	2	St. Joseph's general, Dawson Creek.....	Cellulitis
	2	St. Joseph's general, Dawson Creek.....	Pregnancy
	1	Pouce Coupe community hospital.....	Meningitis
Salteau band.....	1	St. Joseph's general, Dawson Creek.....	Rheumatic fever
	2	St. Joseph's general.....	Pregnancy
	1	"	Pseudocyst of pancreas
	2	Pouce Coupe general.....	Bronchial pneumonia
	1	"	Chickenpox
	1	"	Pelvic Inflammatory disease
	1	"	Tonsillitis and chickenpox
Beaver band.....	1	Providence hospital, Ft. St. John.....	Upper respiratory infection
	2	Providence hospital, Ft. St. John.....	Diarrhea
	1	Miller Bay.....	Otitismedia

Questions

Band	No. Treated	Hospital	Diagnosis
December, 1961			
Slave of Fort Nelson band....	1	Whitehorse general hospital.....	Infectious hepatitis
	1	Charles Camsell hospital.....	Haemangioma
	1	Ft. Smith gen., N.W.T.....	Glaucoma
	2	Ft. Nelson general	Pneumonia
	1	"	Iritis
	1	"	Bronchitis
	1	"	Duodenal ulcer
	1	"	Fracture thumb
	1	"	Cerebral palsy
	1	"	Pharyngeotracheo-bronchitis
	1	"	Tonsillitis
	1	"	Cyesis
	1	"	Burns
	1	"	Impetigo
	1	"	Heart disease
	1	"	Diarrhea
	1	"	Chronic Bronchitis
	1	"	Coryza
	1	"	Nutritional deficiency
	1	"	Infectious hepatitis
	1	"	Dehydration
	1	Miller Bay hospital.....	Pulmonary T.B.
Hudson Hope band.....	1	St. Joseph's general.....	Pneumonia
	1	Dawson Creek General.....	Pregnancy
	1	"	Croupe
	1	Providence hospital.....	Fracture tibia and fibula
	1	Ft. St. John hospital.....	Abscess—left leg
Salteau band.....	1	Pouce Coupe community.....	Pregnancy
	2	"	Diarrhea
	1	St. Joseph's general.....	Influenza
Beaver band.....	1	Providence hospital.....	Diarrhea
	1	Ft. St. John hospital.....	Otitismedia
	1	Miller Bay.....	Otitismedia
January, 1962			
Slave of Ft. Nelson band.....	1	Charles Camsell hospital.....	Haemangioma
	1	Ft. Smith general.....	Glaucoma
	1	Ft. Nelson general.....	Low back pain
	1	"	Fracture tibia and fibula
	1	"	Pharangitis
	2	"	Upper respiratory infection
	1	"	Bronchitis
	1	"	Parturition
	1	"	New born
	1	"	Rheumatic fever
	1	"	Tonsillitis and bronchitis
	1	"	Otitismedia
	1	"	Burns
	1	"	Impetigo
	1	Miller Bay.....	Pulmonary T.B.
Hudson Hope band.....	2	St. Joseph's general.....	Pneumonia
	1	Dawson Creek.....	Pyelonephritis
	1	Providence hospital.....	Fracture tibia and fibula
		Ft. St. John	
	1	"	Abscess—left leg
	1	"	Dermitis and diarrhea
	1	Miller Bay.....	Suspect pulmonary T.B.
	1	Prince George regional.....	Parturition
Salteau band.....	1	St. Joseph's general.....	Influenza
	1	Dawson Creek general.....	Burns
	2	Pouce Coupe community.....	Diarrhea
Beaver band.....	2	Providence, Ft. St. John.....	Burns
	1	"	Pregnancy
	1	"	New born
	1	Miller Bay.....	Otitismedia

Band	No. Treated	Hospital	Diagnosis
February, 1962			
Slave of Fort Nelson band....	1	Charles Camsell.....	Haemangioma
	1	St. Paul's hospital, Van.....	Fracture—leg
	1	Providence hospital.....	Fracture left leg
	3	Ft. Nelson general.....	Otitismedia
	1	"	Sacroiliac strain
	1	"	Extraction teeth
	1	"	Impetigo
	1	"	Upper respiratory infection
	1	"	Abdominal pain
	1	"	Fracture tibia and fibula
	1	Miller Bay.....	Pulmonary T.B.
	1	"	Suspect heart disease
Hudson Hope band.....	1	Vancouver general.....	Meningitis
	1	Pouce Coupe community.....	Premenstrual pain
	1	Providence, Ft. St. John.....	Bronchitis
	1	"	Pneumonia
	1	"	Pregnancy
	1	"	New born
	1	Miller Bay.....	Suspect pulmonary T.B.
Salteau band.....	1	St. Joseph's general.....	Eczema
	1	Dawson Creek general.....	Diarrhea
Beaver band.....	1	Providence hospital.....	Contusions
	2	"	Pneumonia
	1	"	Upper respiratory infection
	1	"	Ovarian tumour
	1	"	Burns
	1	Miller Bay.....	Otitismedia
	1	"	Fracture tibia and fibula
March, 1962			
Slave of Fort Nelson band....	1	St. Paul's hospital, Van.....	Fracture—leg
	1	Ft. Nelson general.....	Otitismedia
	1	"	Upper respiratory infection
	1	"	Abdominal pain
	1	Miller Bay.....	Pulmonary T.B.
Hudson Hope.....	1	St. Joseph's general, Dawson Creek.....	Diarrhea
	1	Providence, Ft. St. John.....	Postpartum haemorrhage
	2	"	Otitismedia
	1	"	Hernia
	1	"	Ulcers of mouth
	1	"	Constipation
	1	"	Fracture fibula
	1	Miller Bay.....	Pulmonary T.B.
	1	"	Suspect pulmonary T.B.
Salteau.....	1	St. Joseph's general.....	Diarrhea
	1	"	Hematemesis
Beaver band.....	1	Providence, Ft. St. John.....	Burns
	3	"	Pneumonia
	3	"	Upper respiratory infection
	1	"	Ovarian tumor
	1	"	Influenza
	1	"	Otitismedia
	1	"	Bronchitis
	1	"	Gastroenteritis
	1	Nanaimo hospital.....	Fracture tibia and fibula
	1	Miller Bay.....	Suspect pulmonary T.B.
April, 1962			
Slave of Ft. Nelson band.....	1	Charles Camsell.....	Bronchopneumonia
	1	Miller Bay.....	Pulmonary T.B.
Hudson Hope band.....	1	Providence, Ft. St. John.....	Infectious hepatitis
	4	"	Pneumonia
	1	"	Bronchitis
	1	"	Gastroenteritis
	1	"	Schizophrenia—pneumonia
	1	"	Constipation
	1	Miller Bay.....	Pulmonary T.B.
	1	"	Pulmonary cyst
	1	"	Cyesis
	1	St. Joseph's general, Dawson Creek.....	Pneumonia

Questions

Band	No. Treated	Hospital	Diagnosis
Beaver band	2	Providence, Ft. St. John	Bronchitis
	1	"	Amputation—toe
	2	"	Pneumonia
	2	"	Upper respiratory infection
	1	Nanaimo hospital	Fracture tibia and fibula
	1	Miller Bay	Suspect pulmonary T.B.
May, 1962			
Slave of Fort Nelson band	1	Miller Bay	Pulmonary T.B.
Hudson Hope band	1	St. Joseph's general, Dawson Creek	Pneumonia
	1	Providence, Ft. St. John	Pneumonia
	1	Miller Bay	Pulmonary T.B.
	1	"	Pulmonary cyst
	1	"	Cyesis
Salteau band	1	St. Joseph's general, Dawson Creek	Pregnancy
	1		Hernia
Beaver band	1	Providence, Ft. St. John	Tracheobronchitis
	2	"	Pneumonia
	1	"	New born
	3	"	Influenza
	2	"	Upper respiratory infection
	2	"	Bronchitis
	1	"	Abdominal pain
	1	Nanaimo	Fracture tibia and fibula
	1	Miller Bay	Suspect, pulmonary T.B.
June, 1962			
Slave of Fort Nelson band	1	St. Paul's hospital, Van	Rheumatic heart disease
	1	Miller Bay	Pulmonary T.B.
	1	"	Fracture vertibrae
Hudson Hope band	1	Providence, Ft. St. John	Infected eye
	1	St. Joseph's general, Dawson Creek	Pneumonia
	1	" "	Osteoarthritis
	2	Miller Bay	Pulmonary T.B.
	1	"	Pulmonary cyst
Salteau band	2	St. Joseph's General, Dawson Creek	Pregnancy
	1	"	Incomplete abortion
Beaver band	1	Nanaimo	Fracture tibia and fibula
	1	Providence, Ft. St. John	Otitismedia and bronchitis
	1	"	Otitismedia
	1	"	Tracheobronchitis
	1	"	Pneumonitis
	3	"	Influenza
	1	"	Coronary thrombosis
	1	"	Upper respiratory infection
	1	"	Pneumonia
	1	"	Bronchitis
	1	"	Diarrhea
	1	"	Gastroenteritis
	1	"	Bronchopneumonia
July, 1962			
Slave of Fort Nelson band	1	Athabaska municipal	Tonsillitis
	1	St. Paul's hospital, Van	Rheumatic heart disease
	1	Providence, Ft. St. John	Threatened miscarriage
	1	Vancouver general	Rheumatic heart disease
	1	"	Old fracture of spine
	1	Coqualeetza	Heart disease
	1	Miller Bay	Fracture—vertebrae
Hudson Hope band	2	Providence, Ft. St. John	Bronchitis
	1	"	Tracheobronchitis
	1	"	Pneumonia
	1	"	Influenza
	1	Pouce Coupe Community	Osteoarthritis
	1	Miller Bay	Pulmonary T.B.
	1	"	Pulmonary cyst

Band	No. Treated	Hospital	Diagnosis
Salteau band	1	St. Joseph's general, Dawson Creek	Fracture—left wrist
Beaver band	1	Providence, Ft. St. John	Pneumonia
	1	"	Lymphadinitis
	1	Coqualeetza	Suspect pulmonary T.B.
August, 1962			
Slave of Fort Nelson band	1	Charles Camsell	Pulmonary T.B.
	1	Coqualeetza	Heart disease
	1	Miller Bay	Post cardiac surgery
	1	"	Foreign body in ear
	1	Providence, Ft. St. John	Foreign body in ear
Hudson Hope band	1	Pouce Coupe community	Osteoarthritis
	2	Miller Bay	Pulmonary T.B.
		"	Pulmonary cyst
Beaver band	1	Coqualeetza	Suspect, pulmonary T.B.
	1	Providence, Ft. St. John	Christison's disease
	1	"	Contusions
	1	"	Tracheobronchitis
	1	"	Pneumonia
	1	"	Pregnancy
	1	"	New born
September, 1962			
Slave of Fort Nelson band	1	Charles Camsell	Pulmonary T.B.
	1	Miller Bay	Post cardiac surgery
Hudson Hope band	2	"	Pulmonary T.B.
	1	"	Pulmonary cyst
Beaver band	1	Providence, Ft. St. John	Pregnancy
	1	"	New born
October, 1962			
Slave of Ft. Nelson band	1	Charles Camsell	Pulmonary T.B.
	1	"	Haemangioma of face
	1	Miller Bay	Cleft palate
	1	"	Heart disease
Hudson Hope band	1	"	Pulmonary T.B.
	1	"	Suspect pulmonary T.B.

(b) YUKON AGENCY

November, 1961			
Tahltan band	1	Whitehorse general, Whitehorse	Prematurity
	1	"	Mitral insufficiency
		"	Placenta praevia-parturition
	1	"	Infectious hepatitis
	1	"	Acute tonsillitis
	1	"	Acute bronchitis
	1	"	Lobar pneumonia
	1	"	U.R.I.
	1	"	Congenital heart disease
	1	"	Newborn
	1	Charles Camsell—Edmonton	Bronchopneumonia
	1	Coqualeetza Indian—Sardis	Pulmonary tuberculosis
	1	Miller Bay Indian—Prince Rupert	Pulmonary tuberculosis
Atlin—Teslin band	1	Whitehorse general, Whitehorse	Obstructive Jaundice
	1	"	U.R.I.
	1	Nanaimo Indian—Nanaimo	Pulmonary tuberculosis
	1	Charles Camsell—Edmonton	Cholelithiasis
Liard River band	1	Whitehorse general, Whitehorse	Spastic hemiplegia
	1	"	Gunshot wounds
	1	"	Pulmonary tuberculosis
	1	Charles Camsell—Edmonton	T.B. investigation
	1	"	Hemiplegia
	1	Miller Bay Indian	Pulmonary tuberculosis
December, 1961			
Tahltan band	3	Whitehorse general	Newborn
	1	"	Caesarian section
	1	"	Pyelonephritis
	1	"	Congenital heart disease
	1	"	Acute tonsillitis

Questions

Band	No. Treated	Hospital	Diagnosis
December, 1961 (cont.)			
Tahltan band	1	Whitehorse general	Post partum haemorrhage
	1	Whitehorse "	Parturition
	1	"	Lobar pneumonia
	1	"	Lacerated perineum
	1	"	Laryngitis—U.R.I.
	1	"	U.R.I.
	1	"	Fracture femur
	1	Charles Camsell	Bronchopneumonia
	1	Coqualeetza Indian—Sardis	Pulmonary tuberculosis
Atlin-Teslin band	1	Whitehorse general hospital	U.R.I.
	1	"	Cystitis
	1	Charles Camsell	Cholelithiasis
	1	Nanaimo Indian—Nanaimo	Pulmonary tuberculosis
Liard River band	1	Whitehorse general	Gunshot wounds
	1	Charles Camsell	Pulmonary tuberculosis
	1	Miller Bay Indian	Pulmonary tuberculosis
January, 1962			
Tahltan band	1	Whitehorse general	Bronchopneumonia
	1	"	Lacerated perineum—post partum
	1	"	Fracture femur
	1	"	Congenital heart disease
	1	"	P.I.D.
	1	"	Chronic tonsillitis
	1	Charles Camsell	Bronchopneumonia
	1	Coqualeetza Indian	Pulmonary tuberculosis
Atlin-Teslin band	1	Whitehorse general	Cystitis
	1	"	Lacerated wrist
	1	Charles Camsell	Cholelithiasis
	1	Nanaimo Indian	Pulmonary tuberculosis
Liard River band	1	Whitehorse general	Gunshot wounds Chronic tonsillitis
	1	Charles Camsell	Bronchopneumonia
	1	Miller Bay Indian	Pulmonary tuberculosis
February, 1962			
Tahltan band	1	Whitehorse general	Fracture lower tibia
	1	"	P.I.D.
	1	"	Chronic tonsillitis
	1	"	Thyroiditis
	1	"	Prostatic hypertrophy
	1	"	Schizophrenia
	1	Coqualeetza Indian	Pulmonary tuberculosis
Atlin-Teslin, band	1	Whitehorse general	Hematuria
	1	"	Gastritis
	1	"	False Labour
	1	Charles Camsell	Cholelithiasis
	1	Coqualeetza Indian	Mental Deficiency
	1	Nanaimo Indian	Pulmonary tuberculosis
Liard River band	1	Whitehorse general	Gunshot wounds
	1	"	Chronic tonsillitis
	1	Charles Camsell	Bronchopneumonia
	1	Miller Bay Indian	Pulmonary tuberculosis
March, 1962			
Tahltan band	1	Whitehorse general	Thyroiditis
	1	"	Prostate hypertrophy
	1	"	Grand mal epileptic
	1	"	Frostbite—feet
	1	Charles Camsell	Hypertrophy Prostate
	1	Coqualeetza Indian—Sardis	Pulmonary tuberculosis
	1	Miller Bay Indian—Sardis	Pulmonary tuberculosis
Atlin-Teslin band	1	Whitehorse general	Newborn
	1	"	Bronchopneumonia
	1	"	Grand mal epilepsy
	2	"	Cystitis
	1	"	Parturition
	1	Coqualeetza Indian—Sardis	Mental deficiency

Band	No. Treated	Hospital	Diagnosis
March, 1962 (cont.)			
Atlin-Teslin band	1	Nanaimo Indian	Pulmonary tuberculosis
Liard River band	1	Whitehorse general	Gunshot wounds
	1	"	Infectious eczema
	1	Miller Bay Indian, Prince Rupert	Pulmonary tuberculosis
April, 1962			
Tahltan band	1	Whitehorse general	Newborn
	1	"	Hypothyroidism
	1	"	Dentigenous cyst
	1	"	P.I.D.
	1	"	Enuresis
	1	"	Parturition
	2	"	Chronic tonsillitis
	1	"	Fracture mandible
	1	"	Foreign body in eye
Tahltan band	1	Charles Camsell hospital	T.B. investigation
	1	"	Hypertrophy prostate
	1	Miller Bay Indian	Pulmonary T.B.
	1	"	Bronchiactasis
	1	"	Congenital heart failure
Atlin-Teslin band	1	"	Grand mal epilepsy
	1	"	Cellulitis arm
	1	"	Cellulitis hand
	1	Coqualeetza	Mental deficiency
	1	Nanaimo	Pulmonary T.B.
Liard River band	1	Whitehorse general	Gunshot wounds
	1	"	Breast abscess
	1	"	Lymphadinitis—face
	1	"	Bursitis—knee joint
	1	Charles Camsell	T.B. investigation
	1	Miller Bay hospital	Pulmonary T.B.
May, 1962			
Tahltan band	2	Whitehorse general	Chronic tonsillitis
	1	"	Fracture mandible
	1	"	Foreign body in eye
	1	"	P.I.D.
	1	"	T.B.
	1	St. Paul's hospital, Van.	Tonsillitis
	2	Miller Bay	Pulmonary T.B.
Atlin-Teslin band	1	Whitehorse general	Lobar pneumonia
	1	"	Cellulitis—hand
	1	"	Epilepsy
	1	"	Acute cervicites
	1	"	Parturition
	1	"	Acute cholecystites
	1	"	Bronchopneumonia
Liard River band	1	"	Gunshot wounds
	1	"	Bursitis
	1	Miller Bay	Pulmonary T.B.
	1	Charles Camsell	T.B. investigation
	1	"	Gunshot wound
	1	"	Fracture femur
	1	"	T.B. mastitis
June, 1962			
Tahltan band	1	Whitehorse general	New born
	1	"	Fracture mandible
	1	"	Gastric ulcer
	1	"	Acute cholecystitis—parturition
	2	Miller Bay	Pulmonary T.B.
Atlin-Teslin band	1	Whitehorse general	Acute cholecystitis
	1	"	Bronchopneumonia

Questions

Band	No. Treated	Hospital	Diagnosis
June, 1962 (cont.)			
Liard River band	1	Whitehorse General	Acute cystitis
	1	"	Bronchopneumonia
	1	Charles Camsell	T. B. investigation
	1	"	Gunshot wound
	1	"	Fracture femur
	1	"	T.B. mastitis
	1	Miller Bay	Pulmonary T.B.
July, 1962			
Tahltan band	1	Whitehorse general	New born
	1	"	Parturition
	1	"	Incomplete abortion
	1	"	Cerv. abscess
	1	Nanaimo	Cerebral palsy
	1	Miller Bay	Pulmonary T.B.
Atlin–Teslin band	1	Whitehorse general	Bronchopneumonia
	1	"	Hematuria
	1	Miller Bay	Pulmonary T.B.
Liard River band	3	Whitehorse general	Newborn
	1	"	Bronchopneumonia
	1	"	Parturition—twins
	1	"	Parturition
	1	Charles Camsell hospital	Gunshot wound
	1	"	Fracture femur
	1	"	T.B. mastitis
	1	"	Cerebral aplasia
	1	"	T.B. kidney
	1	Miller Bay	Pulmonary T.B
August, 1962			
Tahltan band	1	Whitehorse	Cerv. abscess
	1	Nanaimo	Cerebral palsy
	1	Miller Bay	Pulmonary T.B.
Atlin—Teslin band	1	Whitehorse general	Bronchopneumonia
	1	"	Acute bronchitis
	1	Miller Bay	Pulmonary T.B.
Liard River band	2	Whitehorse general	New born
	2	"	Parturition
	1	"	Third degree burns
	1	Charles Camsell	Gunshot wound
	1	"	Fracture femur
	1	"	T.B. Mastitis
	1	Miller Bay	Pulmonary T.B.
September, 1962			
Tahltan band	1	Whitehorse general	P.I.D.
	1	"	Acute tonsillitis
	1	"	Fracture Pelvis
	1	"	Bronchopneumonia
	1	"	Pulmonary T.B.
	1	Nanaimo	Cerebral palsy
	1	Miller Bay	Pulmonary T.B.
	1	"	Suspect pulmonary T.B.
Atlin Teslin band	1	Whitehorse general	Bronchopneumonia
	1	Miller Bay	Epilepsy
	1	"	Pregnancy
Liard River band	1	Charles Camsell	Gunshot wound
	1	"	Fracture femur
	1	"	T.B. Mastitis
	1	Miller Bay	Pulmonary T.B.
October, 1962			
Tahltan band	1	Whitehorse general	Fracture pelvis
	1	"	Bronchopneumonia
	1	"	Fracture—nose
	1	"	Tonsillitis
	1	"	Fracture pelvis

Band	No. Treated	Hospital	Diagnosis
October, 1962 (cont.)			
Tahltan band	1	Whitehorse general	Hematuria
	1	"	Abscess—neck
	1	"	Rheumatic fever
	1	Nanaimo	Cerebral palsy
	1	Miller Bay	Suspect pulmonary T.B.
Atlin Teslin band	1	"	Epilepsy
Liard River band	1	Charles Camsell	Gunshot wound
	1	"	Fracture femur
	1	"	T.B. mastitis
	1	Miller Bay	Pulmonary T.B.

GRAIN SALES BY WHEAT BOARD AND AGENTS

Question No. 1,093—**Mr. Korchinski:**

1. What are the names of the companies or agencies which in the last 10 years have been selling to foreign countries, wheat and other grains, which are handled by the Canadian wheat board?
2. Which countries have bought wheat and other grains from these companies or agencies during the same period?
3. What are the amounts of wheat and other grains sold to each country by these companies or agencies during the same period?
4. In the last 10 years, what amount of wheat and other grains has been sold by the wheat board directly, and to which countries?
5. During the same period, what amount of wheat and other grains was sold to Canadian purchasers directly by the wheat board?
6. During this same period, what amount of wheat and other grains was sold in Canada by agents selling for the wheat board?

He said: Mr. Speaker, I would ask that I be allowed to withdraw this question in order to rephrase it. As the question now stands the answer would involve considerable research, which will take too long a time, and I think I can get the information I seek by redrafting the question and putting it another way.

Mr. Speaker: Is it agreed that the question be withdrawn?

Some hon. Members: Agreed.

Order discharged and question withdrawn.

ALLOTMENT OF FUNDS, RED BANK BAND, MIRAMICHI INDIAN AGENCY, N.B.

Question No. 1,113—**Mr. McWilliam:**

Was there any surrender or allotment of band funds of the Red Bank band, Miramichi Indian agency, New Brunswick, other than the amount of $2,766.44 toward the cost of the installation of water services on this reserve and, if so, in what amount or amounts?

Mr. McGee: Yes, $3,233.56 was spent in the fiscal year 1960-1961. This amount, together with the amount of $2,766.44 referred to in the question, was authorized by band council resolution dated June 9, 1960, to be expended, out of the capital funds of the band, for the installation of a water supply system in the reserve.

[Mrs. Casselman.]

ASSISTANT POSTAL CLERK—HOURS OF WORK AND SALARY

Question No. 1,119—**Mr. Douglas:**

1. What is the annual salary of an assistant postal clerk, and his daily hours of work?
2. How does this compare with the prevailing rates of pay and daily hours of work of a clerk 1 and a labourer?

Mr. Halpenny: 1. There is no such class under the civil service commission.

2. Not applicable.

MANUFACTURE OF HEAVY WATER IN CANADA

Question No. 1,126—**Mr. Davis:**

Has consideration been given to the recommendations of last year's House of Commons committee on research to the effect that the government should undertake economic and engineering studies concerning the feasibility of a plant for the manufacture in Canada of heavy water?

Mr. Churchill: Studies concerning the feasibility of the manufacture of heavy water in Canada have been undertaken independently by several Canadian companies. Proposals concerning the construction and operation of such a plant, and the sale of the product, have been submitted to the government.

"LEAD YARD" PRINCIPLE IN SHIPBUILDING CONTRACTS

Question No. 1,131—**Mr. Laing:**

1. What is the principle of "lead yard" in the awarding of shipyard building and repair contracts?
2. Does this principle require that the "lead yard" subsequently supervises and controls purchasing of components on jobs allotted to other yards wherever located?
3. Is there any record of a "lead yard" in eastern Canada purchasing plywood or other components for installation in job contracts let in British Columbia yards?

Mr. O'Hurley: 1. The "lead yard" principle occurs in naval ship construction only in those

cases where there is under construction concurrently a number of ships of the same class. It does not apply to ship repairs or to the construction of one ship of a class.

The "lead yard" principle is based on the following considerations:

(a) The commencement and progression of one ship, i.e. the lead ship, in advance of the follow ships. By so doing, the experience gained in the construction of that lead ship can be translated to the benefit of the follow ships.

(b) Associated with lead yard production is the principle of central procurement. Most of the major equipment in warships, such as the propulsion system, electronic gear, armament, etc., is purchased directly by the Department of Defence Production and issued to the shipbuilders. A small percentage of material is procured by the shipyards themselves. However, that material which must be "worked into" the ship including items such as steel, structural sections, pipes, flanges, valves, hatches, doors, insulation material, etc., is procured centrally through the naval shipbuilding central procurement agency with delivery to the shipyards on the basis of schedules established by defence production. Almost without exception such materials are procured on competitive basis.

The naval shipbuilding central procurement agency, located in Canadian Vickers, the lead yard in the current destroyer escort program, operates under a management contract placed by the Department of Defence Production and is subject to the purchasing control and supervision of this department.

(c) Further associated with the lead principle is that of preparing the drawings centrally in a drawing office associated with the lead yard. The agency for this purpose is the naval central drawing office. It is operated under a contract from the Department of Defence Production and is subject to the joint controls of the departments of national defence and defence production.

In summary, the lead yard principle introduces reduction of effort, simplicity of administration, economy of procurement and speed of financing.

2. See 1 above.

3. No. Standard plywood is not bought centrally. It is one of the items for which the shipyards determine their own source of supply.

However, certain specialized types of fireproof impregnated plywood are procured centrally through the naval shipbuilding central procurement agency. In the current destroyer escort program such a specialized type of plywood was procured centrally, the portion required for two west coast ships being placed with a west coast supplier and the portion required for four eastern ships being supplied by an eastern company.

Recently in a conversion program, as distinct from new construction, a similar specialized plywood was procured centrally through an east coast firm and issued to ships under conversion on the west coast. However, this order was placed on a competitive basis and at a cost lower than western suppliers quoted. The order amounted to $2,276.50.

UNCLASSIFIED DEFENCE CONTRACTS

Question No. 1,132—**Mr. Laing:**

1. In the fiscal year ended March 31, 1961, what was the total value of unclassified defence contracts let?

2. Of this total, what percentage was let in each of the provinces?

3. Are quotations sought f.o.b. shipping point or delivered destination, or both ways?

4. During the above fiscal year, to how many, and where located, warehouses, were purchases shipped by suppliers?

5. During the above fiscal year, were there reshipments recorded either in straight or mixed carlots, of goods purchased in Ontario to defence installations in British Columbia?

Mr. O'Hurley: 1. In the fiscal year ended March 31, 1961, the net value of all contracts let by the Department of Defence Production was $615,011,419. This figure includes both classified and unclassified contracts as aggregate information on unclassified contracts only is not maintained. The net value includes the value of all new contracts plus increasing amendments minus decreasing amendments.

2. It is not practical to maintain precise statistics on the provincial distribution of contracts that would show the effect of the department's contracting on the various provinces. In the case of contracts issued by the head office sections of the department, the geographic identification would have to be based on the mailing address to which the contract is sent. This would not necessarily indicate the location at which the work would be performed. For example, contracts placed with head offices in centres such as Montreal, Toronto and Ottawa may be directed by the companies concerned to plants located in other parts of the country. Also, figures for the provinces would not take into account the extent of subcontracting inherent in defence production, and would not allow for the source of raw materials involved. In the case of contracts issued by the department's fourteen district offices across Canada, it is not practical to keep provincial statistics because of the very large number and small value of the contracts involved.

3. Quotations are normally sought f.o.b. destination. In some cases where the destination is not known at the time of tender, quotations are sought f.o.b. shipping point.

Questions

4. Information on the number and location of warehouses to which purchases are shipped by suppliers is not kept in the department. To obtain this information would involve an examination of approximately 140,000 contracts.

5. Information on possible reshipments of goods purchased in Ontario to defence installations in British Columbia is not available in the department.

(Translation):

TRAINING OF STUDENTS TO BECOME METEOROLOGISTS

Question No. 1148—**Mr. Rinfret:**

1. In 1961, how many university students or graduates took part in the Civil Service Commission project designed to train (*a*) meteorological officers (*b*) meteorologists?

2. How many among those who took part in the plan came from Laval, Montreal and Sherbrooke universities?

Mr. G. E. Halpenny:

1. (*a*) 33; (*b*) 15.

2. 1 meteorological officer; 2 meteorologists.

(Text):

UNIVERSITY STUDENTS GIVEN SUMMER EMPLOYMENT

Question No. 1,149—**Mr. Rinfret:**

1. In 1961, how many students studying for bachelor degrees obtained summer employment under the annual program of the civil service commission?

2. Among those who obtained employment, how many came from the Universities of Laval, Montreal, and Sherbrooke?

Mr. Halpenny: 1. Figures are not available for the years prior to 1962 as no statistics were then kept for summer employment.

2. See 1 above.

INMATES OF FEDERAL PENITENTIARIES RECEIVING PSYCHIATRIC TREATMENT

Question No. 1,152—**Mr. Orlikow:**

1. How many inmates of federal penitentiaries received psychiatric examination in the past year?

2. How many received psychiatric treatment in the past year?

3. Who decided which inmates required such examination or treatment?

Mr. Bell (Saint John-Albert):

1. Dorchester	212
St. Vincent de Paul	400
Kingston	1,067
Collin's Bay	113
Joyceville	90
Manitoba	610
Saskatchewan	155
British Columbia	161
TOTAL	2,808

2. Dorchester	212
St. Vincent de Paul	725
Kingston	961
Collin's Bay	214
Joyceville	64
Manitoba	83
Manitoba	610

All inmates during interviews given some form of treatment.

Saskatchewan	50
British Columbia	249
TOTAL	3,168

3. Warden
Deputy warden
Medical officer
Psychologist
Keepers
Officers
Classification department
Inmate
National parole service
Outside agencies
Court
Administrative referrals

In case of emergency every member of the staff can refer to the psychiatric hospital.

N.B.—Saskatchewan figures based on 1961 figures. An approximate report from St. Vincent de Paul penitentiary as actual figures lost in the fire.

PITT MEADOWS AIRPORT, B.C.—LAND ACQUIRED

Question No. 1,161—**Mr. Laing:**

1. In respect of land acquired for an airport site at Pitt Meadows, British Columbia, what was (a) number of properties acquired (b) acreage involved in each property (c) price paid per acre (list value of improvements if purchased separately)?

2. Were all properties secured by negotiation and, if not, are certain expropriations before the courts and, if so (a) how many (b) what acreage is involved in each?

3. In the case of each property listed in No. 2 as an incomplete transaction, what was the highest offer per acre made to the former owners?

Mr. McBain: 1. (a) 39 owners were involved; 36 cases completed; 2 before the courts and 1 with the municipality of Pitt Meadows outstanding.

Questions

(b) and (c) The list hereunder shows cases where settlement completed:

Owner	Area	Cost of Land		Cost of Improvements	Total Cost
M. and S. Baron	2.30 a.	$ 1,500.00	(500/a)	$12,500.00	$14,000.00
M. Hamming	1.25 a.	750,00	(600/a)	12,250.00	13,000.00
V. McLennan	1.25 a.	625.00	(500/a)	8,875.00	9,500.00
M. Sadwick	0.84 a.	588.00	(700/a)	3,012.00	3,600.00
W. Van Norman	1.60 a.	700.00	(700/a)	1,300.00	2,000.00
J. Tatosky	10.00 a.	5,000.00	(500/a)	19,000.00	24,000.00
W. Ball	2.50 a.	1,250.00	(500/a)	6,500.00	7,750.00
J. Trach	4.22 a.	2,125.00	(500/a)	3,875.00	6,000.00
S. Korysma	10.00 a.	6,000.00	(600/a)	9,500.00	15,500.00
P. Vilac	9.57 a.	4,785.00	(500/a)	13,715.00	18,500.00
F. Frandsen	0.50 a.	500.00	*	5,500.00	6,000.00
J. McKenzie	1.00 a.	600.00	(600/a)	5,400.00	6,000.00
R. Bennett	11.31 a.	5,655.00	(500/a)	10,345.00	16,000.00
L. Hambleton	10.00 a.	5,000.00	(500/a)	17,600.00	22,600.00
D. Wilde	2.79 a.	1,255.50	(450/a)	4,594.50	5,850.00
W. Speigler	15.00 a.	6,750.00	(450/a)	10,750.00	17,500.00
P. Cunningham	2.79 a.	1,255.50	(450/a)	6,744.50	8,000.00
J. Thompson	9.38 a.	5,159.00	(550/a)	19,341.00	24,500.00
R. Lay	8.53 a.	3,838.50	(450/a)	31,661.50	35,500.00
F. Arkesteyn	10.00 a.	6,000.00	(600/a)	11,000.00	17,000.00
H. Linford	4.80 a.	2,850.00	(550/a)	nil	2,850.00
J. Stewart	28.30 a.	16,000.00	(550/a)	nil	16,000.00
R. Knull	5.00 a.	3,500.00	(700/a)	10,500.00	14,000.00
P. Knull	19.77 a.	11,862.00	(600/a)	25,138.00	37,000.00
D. Sharpe	70.12 a.	43,825.00	(625/a)	5,175.00	49,000.00
W. Mitchell	9.70 a.	6,062.50	(625/a)	1,437.50	7,500.00
W. Mitchell	20.00 a.	12,000.00	(600/a)	3,500.00	15,500.00
J. Robertson	95.38 a.	52,459.00	(550/a)	65,041.00	117,000.00
A. Wiens	18.80 a.	10,342.75	(550/a)	8,457.25	18,800.00
J. Herbert	26.32 a.	14,734.50	(550/a)	13,265.50	28,000.00
J. Klimavicius	29.35 a.	16,140.30	(550/a)	10,359.70	26,500.00
H. Sutton	118.50 a.	65,175.00	(550/a)	59,825.00	125,000.00
A. Kruusma	19.90 a.	10,945.00	(550/a)	15,555.00	26,500.00
J. Knull	20.20 a.	12,120.00	(600/a)	22,880.00	35,000.00
L. Cleave	20.00 a.	12,500.00	(625/a)	2,500.00	15,000.00
L. Saunders	4.16 a.	2,024.00	(500/a)	8,916.00	11,000.00

*$500 considered as minimum price for building lot.

2. All properties were expropriated on May 28, 1957.

(a) 2 settlements before the courts.

(b) Acreage involved in each case—23.83 acres (B. Schlick) and 15.83 acres (J. Robertson).

3. The department considers that information as to offers made to former owners in the cases before the courts should remain confidential pending judgment of the court. Negotiations with the municipality of Pitt Meadows have not yet been commenced.

(Translation):

CANADIAN PACIFIC—TRAINS 123, 124 BETWEEN MCADAM AND EDMUNDSTON, N.B.

Question No. 1,168—**Mr. Dube:**

1. Has the Canadian Pacific Railway Company recently made an application to the Board of Transport Commissioners for Canada with a view to the discontinuance of passenger and express service between McAdam and Edmundston (trains 123, 124) and, if so, what decision has been taken by the board in this matter?

2. Was a similar application made in 1961 and, if so, what decision was then taken by the board?

Mr. McBain: The Board of Transport Commissioners for Canada advises as follows:

1. Yes. The Board of Transport Commissioners for Canada has received an application dated October 2, 1962 for authority to discontinue trains 123 and 124 between McAdam and Edmundston, N.B. This matter is presently under investigation by the board's officers.

Questions

2. Yes. The Board of Transport Commissioners for Canada received an application dated June 8, 1961 for authority to discontinue passenger train service between Edmundston and McAdam, N.B., provided by trains 123 and 124, and to reduce the passenger train service between McAdam and Saint John, N.B., provided by trains 101 and 102. Following a public hearing in Woodstock, N.B. on November 8, 1961, the board dismissed the application to discontinue passenger train service between Edmundston and McAdam and authorized the discontinuance of passenger train service between Saint John and McAdam.

(Text):

R.C.M.P. TAILORING COSTS

Question No. 1,183—**Mr. Matheson:**

1. What does it cost per unit to produce the following articles of clothing in R.C.M.P. tailor shops (a) tunics (b) jackets (c) breeches, and (d) trousers?
2. What does it cost to outfit completely one R.C.M.P. constable?
3. Does the R.C.M.P. entertain any criticism of these tailor shops as to quality, cost, or service which would justify implementing the Glassco commission suggestion that commercial tailors be used?

Mr. Bell (Saint John-Albert): 1. (a) tunics, scarlet serge, $36.53; (b) peajackets, $48.58; jackets, brown serge, $36.16; (c) breeches, $24.64; (d) trousers, blue serge, $19.77.

2. $527.50.

3. No.

*LAKE SIMCOE CANAL

Question No. 1,184—**Mr. Ryan:**

Has the government made any study of a lake Simcoe canal route to short circuit the St. Lawrence seaway, particularly in respect to a canal between Barrie and Collingwood and another between the vicinities of Pefferlaw and Oshawa?

Mr. McBain: There is no record of any study in respect of a canal between the vicinities of Pefferlaw and Oshawa, but a reconnaissance survey of a canal between Barrie and Nottawasaga Bay near Collingwood was made in January, 1906.

(Translation):

*QUEBEC—REMOVAL OF LEVEL CROSSINGS

Question No. 1,186—**Mr. Beaule:**

Has the government carried on negotiations concerning level crossings on the Canadian Pacific tracks situated within the city of Quebec and, if so, what are the results of such negotiations?

Mr. Balcer: The Board of Transport Commissioners for Canada advises as follows:

An application submitted by the city of Quebec for authority to eliminate the level crossing at St. Sacrament boulevard is presently being studied by the Board of Transport Commissioners for Canada. The board is awaiting a reply from the city of Quebec with a view to ascertaining if the city will agree to prepare the detailed plans of the project.

(Text):

PROSTHETIC APPLIANCES, VETERANS AFFAIRS DEPARTMENT—MANUFACTURE AND RESEARCH

Question No. 1,189—**Mr. Matheson:**

1. At what centres does the Department of Veterans Affairs repair, fit and manufacture, prosthetic and orthotic appliances and sensory devices?
2. What research, if any, is conducted in this field by the department?
3. How, if at all, do disabled people, who are not veterans, benefit from these facilities?
4. How, if at all, does private industry, engaged in the manufacture of prosthetic appliances, share in the research achievements of the department?

Mr. Churchill: 1. Prosthetic and orthotic appliances are repaired, fitted and manufactured by the Department of Veterans Affairs in Halifax, Saint John, Montreal, Ottawa, London, Toronto, Winnipeg, Regina, Calgary, Edmonton, Vancouver and Victoria. Sensory devices are supplied through departmental facilities but are obtained by purchase from commercial manufacturers.

2. The department operates a research and development section in the prosthetic centre at Sunnybrook hospital, Toronto.

3. Prosthetic service, as part of treatment, may be given under the authority of section 20, veterans treatment regulations, to a person at the request of a responsible body, politic or corporate, where facilities for such treatment are not otherwise available; provided that such body has assumed liability for the cost thereof. A certificate of nonavailability elsewhere is required.

4. Prosthetic technicians in private industry are invited to attend training courses and certain conferences arranged by the department for the information and education of its own employees. The department also arranges for special training on request.

INDUSTRIAL PRODUCTION IN PENITENTIARIES

Question No. 1,190—**Mr. Matheson:**

1. By institutions, what products are manufactured by the industrial division of our penitentiaries, and what was the total value of these manufactures during the year ended March 31, 1962?
2. What services are performed for Her Majesty or what other benefits are derived as a result of the employment of inmates?
3. Are the penitentiaries prepared to accept new and larger orders for manufactures from the public service?
4. What importance has the industrial shop program to the rehabilitation of prisoners?
5. What benefits, if any, do inmates derive from employment in penitentiary shops?

Mr. Bell (Saint John-Albert): 1. (See attached statement).

Answer No. 1.

SCOPE OF MANUFACTURE BY INDUSTRIAL DIVISION SHOPS, FISCAL YEAR ENDED MARCH 31, 1962

	Automotive repairs and body work	Brush products	Canvas products	Clothing	Concrete products	Footwear	Metal products	Wood products	Printing
Springhill			X	X					
Dorchester			X	X	X	X	X	X	
St. Vincent de Paul		X	X	X		X	X	X	
Leclerc	X		X	X			X	X	
Valleyfield				X			X	X	
Kingston			X	X		X	X	X	X
Collin's Bay				X	X				
Joyceville				X			X	X	
Manitoba			X	X	X	X	X	X	
Saskatchewan			X	X		X	X	X	X
British Columbia			X	X	X	X	X	X	

Total value of production ..... $ 1,318,674.40

2. Services performed by the industrial shops in addition to the above manufactures, are repair and upkeep of machinery and equipment of other penitentiary divisions; repairs to mail bags; repair to wooden office furniture and metal cabinets for public works; a minor amount of automotive repairs and body work on government vehicles; repairs to footwear and clothing; bookbinding.

3. Yes.

4. The objectives of penitentiary industry are to ensure that inmates, (a) will be fully, regularly and suitably employed at tasks that will train them to obtain and hold employment when they return to society, and (b) will, through their labour, assist in defraying the cost to the public of operating the penitentiary service.

5. Training in occupational skills, and industrious work habits; training in the ability to work in association with other employees.

EFFECTS OF DETERGENT ON SEWAGE

Question No. 1,192—**Mr. Roxburgh:**

Is the national research council carrying out any studies on the methods of counteracting the effects of detergent on sewage?

Mr. Churchill: No.

CAPITAL OFFENDERS SERVING LIFE SENTENCES

Question No. 1,198—**Mr. Matheson:**

1. How many prisoners convicted of capital offences are now serving life imprisonment?
2. What is the estimated average annual production of goods and services of these "lifers"?
3. What is the average annual cost of their maintenance?
4. What special problems, if any, do they present to the prison population and to the custodial staff?
5. How do these men and women adjust to permanent prison life, and are their lives tolerable and worth while?

Mr. Bell (Saint John-Albert): 1. 121.

2. Impossible to estimate.

3. Approximately $2,500.

4. No special problems.

5. After the first year the great majority adjust very well to prison life and, by participating in the inmate training program and in the hope of being released on parole, find their lives tolerable and worth while.

VISITS TO PENITENTIARIES BY JUDGES OR MAGISTRATES

Question No. 1,201—**Mr. Matheson:**

1. How many judges or magistrates have visited the following penal institutions during the year 1962: Dorchester, St. Vincent de Paul, Kingston, and Stony Mountain?
2. Are invitations to the bench to visit penal institutions extended regularly?

Questions

3. How many annual conferences of after-care agencies and government services, with dates, have taken place since the Fauteux committee report of April 30, 1956?

Mr. Bell (Saint John-Albert): 1. Dorchester, 17; St. Vincent de Paul, 91; Kingston, 2; Stony Mountain, 12.

2. Invitations were extended through the attorneys general of the maritime provinces, Quebec and Manitoba. In Ontario, invitations were not officially extended, but all requests to visit the penitentiary have been approved.

3. Two. One in 1957 and the other in 1958.

(Translation):

C.N.R. EMPLOYEES ENROLLED IN MANAGEMENT EDUCATION AT BISHOP'S UNIVERSITY

Question No. 1,204—**Mr. Rinfret:**

During the summer of 1961, how many C.N.R. employees enrolled in courses in management education at Bishop's University, Lennoxville, Quebec, and, of these, how many were French speaking?

Mr. McBain: The management of Canadian National Railways advise as follows:

In 1961 five individuals from the St. Lawrence region enrolled in the staff training course, of whom three were French Canadians.

C.N.R. EMPLOYEES AT THE SUPERVISORY LEVEL TAKING LEADERSHIP TRAINING COURSES

Question No. 1,206—**Mr. Rinfret:**

In 1961, how many C.N.R. employees in the province of Quebec at the supervisory level took leadership training courses and, of these, how many were French speaking?

Mr. McBain: The management of Canadian National Railways advise as follows:

In the St. Lawrence region which includes Quebec city, 44 took leadership courses in 1961, 33 of whom were French Canadians.

TRANSPORT SERVICES BETWEEN MAGDALEN ISLANDS AND EASTERN PORTS OF CANADA

Question No. 1,209—**Mr. Sauve:**

For each fiscal year, from April 1, 1950, to March 31, 1962 (a) what federal grants were given to the Clarke Steamship Company in the case of each of the ships of that company supplying service between the Magdalen islands and the eastern ports of Canada (b) how many tons of goods have been carried on each of the lines mentioned above (c) how many passengers have been carried on each of the lines mentioned above?

Mr. McBain:

	Clarke Steamship Co., Ltd. Montreal, Quebec and Gaspe ports and Magdalen Islands.		Magdalen Islands Transportation Co. Pictou, Souris, Charlottetown and Magdalen Islands.
(a)	1950-51	$156,500	$120,000
	1951-52	156,500	120,000
	1952-53	156,500	120,000
	1953-54	156,500	120,000
	1954-55	156,500	120,000
	1955-56	156,500	120,000
	1956-57	156,500	120,000
	1957-58	189,000	174,000
	1958-59	189,000	174,000
	1959-60	189,000	174,000
	1960-61	259,077	174,000
	This service was terminated in 1960-61.		1961-62 298,000
(b)	1950-51	9,040	5,564
	1951-52	9,684	6,437½
	1952-53	10,958	6,923
	1953-54	10,840	6,859
	1954-55	11,698	6,529¾
	1955-56	11,351	7,503
	1956-57	13,139	8,807
	1957-58	10,969	7,628
	1958-59	8,064	6,992¾

Clarke Steamship Co., Ltd. Montreal, Quebec and Gaspe ports and Magdalen Islands.

1959-60	8,158
1960-61	6,441

Of these tonnages, about 2,500 tons were carried between Magdalen Islands and the mainland.

Magdalen Islands Transportation Co. Pictou, Souris, Charlottetown and Magdalen Islands.

1959-60	7,262½
1960-61	7,674½
1961-62	7,825

(c) 1950-51	2,614	2,124
1951-52	2,895	2,598
1952-53	3,146	2,215
1953-54	2,578	2,207
1954-55	2,263	2,256
1955-56	2,362	2,038
1956-57	2,128	1,914
1957-58	2,078	1,775
1958-59	1,921	1,678
1959-60	2,004	1,379
1960-61	2,030	1,544
1961-62		2,449

Of these passengers, about 30% were between Magdalen Islands and the mainland.

(Text):

ALLOCATIONS FOR DEFENCE AND SOCIAL SECURITY, 1930-1962

Question No. 1,211—**Mr. Sauve:**

From April 1, 1930 to March 30, 1962, what amounts were allocated by the federal government for each fiscal year for (a) national defence and (b) social security?

Mr. Grafftey:

Fiscal year ended	National defence expenditures	Expenditures on health, welfare and social security: Family allowances	Other
	(in millions of dollars)		
1931	23.4		18.1
1932	17.9		55.0
1933	13.5		54.0
1934	13.2		53.9
1935	13.9		81.6
1936	17.2		102.7
1937	22.9		105.7
1938	32.7		103.4
1939	34.8		79.1
1940	125.7		78.1
1941	730.1		60.4
1942	1,267.7		51.9
1943	2,563.3		67.9
1944	4,241.6		75.6
1945	3,999.9		90.5
1946	2,942.1	172.6	112.7
1947	387.6	245.1	140.6
1948	196.0	263.2	156.4
1949	268.8	270.9	153.4
1950	387.2	297.5	192.9
1951	787.3	309.5	225.0
1952	1,446.5	320.5	252.3
1953	1,972.9	334.2	151.7
1954	1,857.8	350.1	155.5
1955	1,687.9	366.5	207.2
1956	1,768.6	382.5	235.7
1957	1,783.8	397.5	252.4
1958	1,687.4	437.9	324.4
1959	1,442.4	474.8	512.2
1960	1,534.2	491.2	458.6
1961	1,537.9	506.2	538.6
1962	1,650.0	520.8	703.0

Expenditures, rather than allocations, are given on the understanding that Mr. Sauve has agreed to this change.

*ESTABLISHMENT OF WESTERN CANADA VETERINARY COLLEGE

Question No. 1,216—**Mr. Ormiston:**

Is the federal government presently negotiating with the four western provinces regarding financial assistance for the establishment of a western veterinary college?

Mr. Jorgenson: Discussions have been held with the western provinces concerning the veterinary college, but there have been no formal negotiations regarding financial assistance.

Questions

C.N.R.—USE OF MARGARINE IN DINING CARS

Question No. 1,217—**Mr. Roxburgh:**

Does the C.N.R. use margarine in any of its dining cars or restaurants and if so, how much was used from January 1, 1962, to date?

Mr. McBain: No.

IMMIGRATION DEPARTMENT PERSONNEL

Question No. 1,218—**Mr. Roxburgh:**

1. How many employees did the department of immigration have at home and abroad in 1961, and what was the overall cost to the government of these employees for 1961, including offices, wages, etc.?

2. How many employees did the department of immigration have in 1956, and what was the total cost of these employees for 1956 to the government including office rents, wages, etc.?

Mr. McGee: 1. As of December 31, 1961, the number of persons employed by the immigration branch of the Department of Citizenship and Immigration was 2,017, of whom 356 were stationed abroad. The cost to the government of these employees for 1961 was $9,941,637 for salaries, allowances, travel and removal expenses and rental and maintenance of office quarters.

2. As of December 31, 1956, the number of persons employed by the immigration branch was 1,897, of whom 351 were stationed abroad. The cost of these employees for 1956 was $7,698,273 for the same expenses shown in (1).

*JOHN FISHER, SPECIAL ASSISTANT TO PRIME MINISTER

Question No. 1,219—**Mr. Matheson:**

1. Was John Fisher, special assistant to the Prime Minister, interviewed on the C.T.V. network on June 11, 1962, and, if so, what was the subject of the interview?

2. Is John Fisher paid a salary as a full-time member of the public service of Canada?

3. Do the duties of special assistant to the Prime Minister include broadcasting during general election campaigns?

Mr. Baldwin: 1. Yes, his position.

2. Yes.

3. The duties of special assistant to the Prime Minister are similar to those of any executive officer attached to ministers or to the office of the Leader of the Opposition.

[*Later:*]

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I wonder whether I might address a question to the hon. member for Peace River in his capacity as parliamentary secretary to the Prime Minister and ask the hon. gentleman if it would be possible for him to complete the answer to part 1 of starred question No. 1,219, which asks what was the subject of the interview given by John Fisher, special assistant to the Prime Minister, on the C.T.V. network on June 11, 1962, during the election campaign?

Mr. G. W. Baldwin (Parliamentary Secretary to the Prime Minister): Mr. Speaker, the question was answered.

Mr. Pickersgill: It was not answered.

IMPORTS OF ICE CREAM FROM ENGLAND

Question No. 1,221—**Mr. Dumont:**

1. What quantity of ice cream imported from England, came through the port of Montreal in the week of December 12, 1962?

2. What quantity was imported throughout the year?

3. Have these imports contributed to an increase in the surplus of dairy products in Canada and, if so, what is the amount of increase in the surplus of dairy products in Canada and, if so, what is the amount of increase in expenditure on subsidies for dairy products?

Mr. Halpenny: 1 and 2. There are no statistics on imports of ice cream, nor on imports in particular weeks of the year. If ice cream imports were cleared under tariff item 141, they would be included in import class 242 "Flavouring powders, custard powders, jelly powders, sweetened breads, cakes, pies, puddings, and all other confections containing sugar n.o.p." Documents relating to December imports will not be processed for several weeks.

3. Although specific information on imports of ice cream is not available, the Department of Agriculture made a chemical examination of 3,000 pounds of import product, erroneously invoiced as ice cream, which arrived at Montreal from England during the week of December 12, 1962. The examination revealed that there was no milk fat or other milk product in the commodity and therefore its importation did not contribute to an increase of dairy products in Canada nor to an increase in total subsidies paid on dairy products.

PROJECTS UNDER VOTE 12A OF SUPPLEMENTARY ESTIMATES

Question No. 1,225—**Mr. MacEachen:**

1. What projects will be undertaken from vote 12A of the supplementary estimates for the fiscal year ending March 31, 1963?

2. In what localities and counties of Cape Breton are these projects located, and what is the number of men employed on each project?

3. What are the rates of pay and the lodging arrangements for these workers?

4. Are unemployed miners from the Doucette mine in Inverness given preference in these forestry projects?

5. Of unemployed miners currently employed on any such projects, what number are (a) from the Doucette mine, Inverness, and (b) from Cape Breton county?

Mr. Flemming (Victoria-Carleton): 1 and 2:

Location		Nature of Project	Miners Employed
Kellys Mountain,	Victoria county	Stand improvement	20
Oregan No. 1	" "	Access roads	20
Oregan No. 3	" "	Access roads	25
Crodis Mountain	" "	Stand improvement	12
Hunters Mountain	" "	Experimental wood cutting	17
Fielding rd. No. 1	" "	Access roads	22
Fielding rd. No. 2	" "	Access roads	17
Portree (Cranton section)		Stream improvement	12
	Inverness county	Stand improvement	5
Coxheath	Cape Breton county		
		Total	150

3. Employees are paid at the rate of $10 per day plus 2 per cent holiday pay and are lodged in temporary camps provided by the provincial department of lands and forests. Board and lodging is charged to the men at the rate of $1 per day.

4. Employees from the Doucette mine are given preference on the Inverness county project.

5. 12 of the miners employed previously worked at the Doucette mine and 138 at the mines of Cape Breton county.

*C.B.C. TELEVISION OF U.S. AND CANADIAN SPORTS

Question No. 1,226—**Mr. Dube:**

1. How many hours has the C.B.C. devoted this year to televising or radio broadcasting of American sports?

2. How many hours has the C.B.C. devoted this year to televising or radio broadcasting of our national sport, hockey?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation as follows:

1. In the 52 weeks October 15, 1961 to October 13, 1962 the total number of hours of sports broadcasts carried on the English and French radio and television networks of the C.B.C. was 814 hours and 19 minutes, of which 333 hours and 14 minutes were devoted to American sports and 481 hours and .05 minutes to Canadian sports events.

2. In the time period described in part 1, the total is 252 hours 13 minutes devoted to hockey on the C.B.C. French and English radio and television networks.

DUTY PAID COMMUNIST COUNTRIES ON GIFT PARCELS

Question No. 1,227—**Mr. Thompson:**

What sums have been paid annually, during the past five years, to the governments of Communist countries by Canadian residents as duty on parcels they are sending as gifts to residents in such countries?

Mrs. Fairclough: No information.

EARNINGS OF HOLDERS OF NAVIGATIONAL CERTIFICATES

Question No. 1,228—**Mr. Coates:**

1. What were the average earnings for the years 1960 and 1961 of holders, domiciled in Canada, of master of foreign-going navigational certificate (excluding pilots)?

2. What were the average earnings for the years 1960 and 1961 of holders, domiciled in Canada, of home-trade navigational certificate (excluding pilots)?

Mr. McBain: 1 and 2. The remuneration of the master of a ship is a matter of private arrangement between the shipowner and the master and is not reported to the Department of Transport.

NATO COUNCIL—NON-AGGRESSION TREATY WITH WARSAW PACT COUNTRIES

Question No. 1,230—**Mr. Haidasz:**

During the recent NATO ministerial conference held in Paris, was any consideration given to the possible negotiation of a non-aggression treaty between NATO and the Warsaw pact countries, and, if so, what was the stand taken by Canada's delegation to the conference?

Mr. Green: On December 17, 1962, I gave the house an account of the NATO December meeting. These NATO meetings are confidential and I do not think it appropriate to discuss what was said in Paris in greater detail.

LACOLLE, QUE.—IMMIGRATION FACILITIES

Question No. 1,231—**Mr. Stewart:**

Are immigration facilities available at Lacolle, Quebec and, if so, were and are these facilities provided by the government of Canada alone and, if not, who has co-operated or is co-operating with the government?

Mr. McGee: The immigration branch has offices in two locations in Lacolle, Quebec. The main office is on the second floor of the federal building. This accommodation is provided by the government of Canada alone. The other office is in the Delaware and

Hudson Railway station and its facilities are used for the civil and medical examination of immigrants travelling to Canada by rail from New York. The building is the property of the railroad. Recently, certain alterations were made in this building so that the medical examination (including X-ray) of these immigrants could be carried out. The cost of these alterations was borne by American Export Lines, Inc. The X-ray equipment was provided by the government of Canada through the Department of National Health and Welfare.

HOLIDAY WORK BY TUG AND DREDGE OFFICERS, MARITIME REGION

Question No. 1,232—**Mr. Stewart:**

Do any or all officers on tugs and dredges under the district engineer, Saint John, receive pay for work done on Saturdays, Sundays, and holidays, in connection with the safety of their craft and, if not, does the same practice prevail in the Charlottetown and Halifax divisions?

Mr. McCleave: Yes, these officers do receive extra pay for work done on Saturdays, Sundays and holidays aboard these vessels. However if they undertake security watch only and no actual work is involved they do not receive pay over and above their normal remuneration.

ROADS TO RESOURCES, NOVA SCOTIA

Question No. 1,233—**Mr. Stewart:**

What was Canada's share of the cost of roads to resources built in Nova Scotia in (a) 1961-62, and (b) the period, April 1, 1962 to the present (c) on what projects was this money spent (d) how many miles of road was involved in each project and (e) what was the cost to Canada of each project?

Mr. Dinsdale: Information not available, since no claim has as yet been received from the province of Nova Scotia for work on roads to resources undertaken by the province since April 1, 1961.

R.C.M.P. INTERVIEWS WITH UNIVERSITY STUDENTS AND FACULTIES

Question No. 1,234—**Mr. Berger:**

1. Are members of the R.C.M.P. engaged in interviewing students and faculty members at Canadian universities about the political views and political activities of other students and faculty members and, if so, (a) for how long have such interviews been taking place (b) what ranks are employed in conducting these interviews (c) what qualifications do they possess?

2. What government departments and officials have access to the reports made by the R.C.M.P. in this connection?

3. Are private persons and corporations supplied with any of the information obtained by the R.C.M.P., or do they have access to any of the reports made by the R.C.M.P. in connection with these investigations and, if so, under what conditions?

[Mr. McGee.]

Mr. Bell (Saint John-Albert): 1. Members of the R.C.M.P. are not engaged in interviewing students and faculty members at Canadian universities about the political views and political activities of other students and faculty members.

2. Answered by No. 1.

3. Answered by No. 1.

USE OF NUCLEAR ARMS ON MISSILES AND PLANES

Question No. 1,235—**Mr. Matheson:**

1. (a) When the government selected the Bomarc in September 1958, was the government aware that the maximum efficiency of this weapon depended upon the use of nuclear armament? (b) prior to acquiring the Bomarc in October 1961, did the government indicate to the U.S.A. or to NORAD that it was, or might be, unwilling to accept nuclear arms?

2. (a) When the government selected the CF-104 in July 1959, did the government know that its proposed role depended upon the use of nuclear weapons? (b) prior to acquiring the CF-104 in March 1961, did the government indicate to its NATO allies or NATO H.Q. that it was, or might be, unwilling to accept nuclear arms?

3. (a) When the government selected the "Honest John" in March 1960, did the government know that non-nuclear shells were impractical? (b) prior to acquiring the "Honest John" in August 1961, did the government indicate to its NATO allies or NATO H.Q. that it was, or might be, unwilling to accept nuclear arms?

4. (a) When the government selected the CF-101B in June 1961, did the government know that its proposed role depended upon the use of nuclear weapons? (b) prior to acquiring the CF-101B in July 1961, did the government indicate to its NATO allies or NATO H.Q. that it was, or might be, unwilling to accept nuclear arms?

Mr. Harkness: 1, 2, 3 and 4. (a) The government was aware that in each instance these weapon systems would reach their maximum effectiveness when armed with nuclear warheads or weapons.

(b) No.

RUSSIAN VESSELS IN BAY OF FUNDY

Question No. 1,236—**Mr. Dumont:**

1. Has the government made any appraisal of the reasons for the recent presence of Russian fishing vessels in the bay of Fundy and, if so, was the visit of any military significance?

2. Who first discovered the presence of the Russian vessels and to whom was it reported?

3. By what officer of the Canadian armed services was the news of the presence of the vessels first announced and on whose authority was the announcement made?

Mr. Harkness: 1. It is not the policy to make information of this nature public.

2. By the captain of a Canadian commercial ferry who gave this information to the fisheries protection officer of the Department of Fisheries in Digby, N.S.

3. The first announcement was not made by an officer of the Canadian armed forces.

APPEALS RESPECTING CIVIL SERVICE PROMOTIONAL COMPETITIONS

Question No. 1,237—**Mr. Caron:**

1. With respect to written or oral promotional competitions of the civil service commission, how many appeals were lodged (a) from April 1, 1959 to March 31, 1960 (b) from April 1, 1960 to March 31, 1961 and (c) since April 1, 1961?

2. In the case of the said appeals for each of the above mentioned years (a) in how many cases was the appeal granted and (b) in how many cases was the appeal rejected?

3. How many of the said appeals have been made by French-speaking Canadians, and in how many cases (a) was the appeal granted and (b) was the appeal rejected?

Mr. Halpenny: The civil service commission's records on appeals are maintained on a calendar year basis. These records indicate as follows:

1. (a) January 1, 1959 to December 31, 1959, 554; (b) January 1, 1960 to December 31, 1960, 626; (c) January 1, 1961 to December 31, 1961, 758; (d) January 1, 1962 to December 31, 1962, 631.

2.	Number of appeals	
	Upheld	Not upheld
(a)	127	427
(b)	140	486
(c)	189	569
(d)	153	478

3. This information is not available from the records kept.

HAMILTON HARBOUR COMMISSION

Question No. 1,239—**Mr. Munro:**

1. Has the Hamilton harbour commission within the last three years entered into any agreement or agreements with Hamilton Terminal Operators Limited with respect to the handling of goods and commodities and/or with respect to the sale of assets previously owned by the Hamilton harbour commission; and, if so, what were the terms and conditions of such agreement or agreements?

2. Did the Hamilton Shipping Company Limited or its directors, shareholders or personnel, negotiate the terms and conditions of such agreement or agreements or otherwise deal with the Hamilton harbour commission prior to such negotiations or dealings being taken over by the Hamilton Terminal Operators Limited; and, if so, what person or persons represented the Hamilton Shipping Company Limited prior to the Hamilton Terminal Operators Limited taking over such negotiations or dealings; and, upon the Hamilton Terminal Operators Limited taking over such negotiations or dealings, what person or persons represented the said Hamilton Terminal Operators Limited?

3. Did any other person or persons enter negotiations or have dealings with the Hamilton harbour commission for and on behalf of the company later known as the Hamilton Terminal Operators Limited and, if so, who was that person or persons?

4. What person or persons during the three year period prior to September 30, 1962, appeared before the Hamilton harbour commission, negotiated with the Hamilton harbour commission, or made representations to the Hamilton harbour commission, or corresponded with the said commission on behalf of the Hamilton Shipping Company Limited and the Hamilton Terminal Operators Limited, and what were the particulars of the matters dealt with as a result of such appearances, negotiations, representations or correspondence?

5. Who were the directors, shareholders and executive personnel of the Hamilton Shipping Company Limited and the Hamilton Terminal Operators Limited during the time any agreement or agreements above referred to were entered into between the Hamilton harbour commission and the Hamilton Terminal Operators Limited?

6. Prior to the entering into of any agreement or agreements between the Hamilton harbour commission and the Hamilton Terminal Operators Limited, were the terms, conditions and stipulations as contained in such agreement or agreements, except any reference to moneys to accrue to the Hamilton harbour commission, let out to tender to any other person, persons, corporation or corporations, and, if so, who were such person, persons, corporation or corporations, and what were the tenders so submitted; what was the time and date upon which such tenders were required to be submitted to the Hamilton harbour commission?

7. Was any other person, persons, corporation or corporations advised as to the clauses of any agreement or agreements entered into between the Hamilton harbour commission and the Hamilton Terminal Operators Limited with the exception of any reference to moneys to accrue to the Hamilton harbour commission prior to the execution of any such agreement or agreements entered into between the Hamilton Terminal Operators Limited and the Hamilton harbour commission; and, if so, who were such person, persons, corporation or corporations, and when were such person, persons, corporation or corporations advised of such clauses?

8. Did any person, persons, corporation or corporations, other than the Hamilton Terminal Operators Limited, communicate with the Hamilton harbour commission that such person, persons, corporation or corporations desired to negotiate an agreement similar in nature to any agreement or agreements entered into between the Hamilton harbour commission and the Hamilton Terminal Operators Limited during the three year period prior to September 30, 1962; what were the dates and contents of such communications, and by whom were such communications made or on whose behalf were such communications made, and what were the dates and contents of the replies to such communications by the Hamilton harbour commission?

9. Has any agreement, entered into between the Hamilton harbour commission and the Hamilton Terminal Operators Limited at any time during the three year period prior to September 30, 1962, been altered, revised, renegotiated or renewed; what were the terms, conditions and clauses of any such agreement embodying any such revision, alteration, renegotiation or renewal respectively?

10. Was any other person, persons, corporation or corporations advised or informed of any terms, conditions, clauses of such alteration, revision, renegotiation or renewal of such agreement or agreements entered into between the Hamilton harbour commission and the Hamilton Terminal Operators Limited at any time during the three year period prior to September 30, 1962; what person, persons, corporation or corporations were so advised or informed and when; what was the content, or advice given or rendered to such person, persons, corporation or corporations by the Hamilton harbour commission, with respect to the terms of such revision, alteration, renegotiation or renewal of such agreement or agreements?

11. What person, persons, corporation or corporations appeared before the board at any time during the three year period prior to September 30,

1962, with respect to any revision, alteration, renegotiation or renewal of any such agreement or agreements entered into between the Hamilton harbour commission and the Hamilton Terminal Operators Limited?

12. What was the profit accruing to the Hamilton harbour commission from the operation of the Wellington street terminal for the year 1959, and what was the traffic by total tonnage in and out of the said terminal for the year 1959, and by whom was the said terminal operated during the year 1959?

13. What was the profit accruing to the Hamilton harbour commission from the operation of the Wellington street terminal for the year 1960, and what was the traffic by total tonnage in and out of the said terminal for the year 1960, and by whom was the said terminal operated during the year 1960?

14. What was the profit or loss accruing to the Hamilton harbour commission from the operation of the Wellington street terminal for the year 1961, and what was the traffic by total tonnage in and out of the said terminal during the year 1961, and by whom was the said terminal operated during the year 1961?

15. What was the name of each and every trucking or transport firm which carried tonnage out of the Wellington street terminal and the amount of tonnage carried by each during the years 1956, 1957, 1958, 1959, 1960, and 1961?

16. Has the Minister of Transport or any other member of the government or the federal cabinet received any communication, written or otherwise, from any trucking or transport firm with respect to the tonnage carried out of the Wellington street terminal during the years 1958, 1959, 1960, 1961, or 1962; from whom and when was such communication received, and what was the content of such communication; was there any reply or replies to such communication or communications; when was the reply or replies made, and what was the content of such replies?

17. Was any commissioner, member of the Hamilton harbour commission, either a director, shareholder, executive officer or employee of any transport firm or company during the years 1958, 1959, 1960, 1961 or 1962; what was the name of such transport firm of which the said commissioner was a director, shareholder, executive officer or employee; what was the percentage of the total tonnage carried out of the Wellington street terminal by such transport firm during the years 1956, 1957, 1958, 1959, 1960, 1961, and 1962?

18. What was the percentage of the total tonnage carried out of the Wellington street terminal by the following companies: Western Freight Lines Limited, Overland Express Limited, Husband Transport Limited, Inter-city Truck Lines Limited, Howell Forwarding Co. Ltd., Hanson Transport Limited, Smith Transport Limited, Armstrong Cartage and Consolidated Truck Lines Limited, during the years 1956, 1957, 1958, 1959, 1960 and 1961?

Mr. McBain: Parts 1 to 15 and parts 17 and 18 relate to the administration of the Hamilton harbour commissioners and the information is not available in the Department of Transport.

Part 16. No.

(Translation):

WATER AND SEWER SERVICES AT ST. SYLVESTRE RADAR BASE

Question No. 1,240—**Mr. Dumont:**

1. What is the name of the contractor who installed the sewage and water system for the employees at the radar base at St. Sylvestre?

[Mr. Munro.]

2. How many times has this work been recommenced?

3. What is the total cost of this work to the federal government?

4. Would it have been advantageous to have carried out this work in the summer?

5. When a contractor undertakes such work, is the efficient working of these sewers his responsibility for at least five years?

Mr. O'Hurley: 1. Nadeau & Frères Limitée, Saint-Patrice de Beaurivage, P.Q.

2. Corrective measures were taken with regard to part of this work.

3. The present amount of the contract is $155,660.41. The contractor has filed a claim for additional payment, and this is now being considered.

4. Under normal conditions, it would have been preferable that such work be carried out in the summertime. However, the contractor was required to go ahead during the winter months so that these services might be available for the installation of prefabricated houses scheduled for delivery in the spring.

5. Yes.

(Text):

FULL AND PART TIME PROFESSIONAL EMPLOYMENT IN PENITENTIARIES

Question No. 1,243—**Mr. Orlikow:**

How many of the psychologists, psychiatrists, physicians, and dentists, employed by the federal government work full time at the penitentiaries, and of those who work part time, how many hours per week does each work in the penitentiaries?

Mr. Bell (Saint John-Albert): The psychologists, psychiatrists, physicians, and dentists are employed in the penitentiaries as follows: Psychologists: 19, full time, Psychiatrists: 8, part time, 15 hours per week. Physicians: 4, full time; 7, part time, 15 hours per week. Dentists: 8, part time, 15 hours per week.

VOCATIONAL AND INDUSTRIAL INSTRUCTORS IN PENITENTIARIES

Question No. 1,244—**Mr. Orlikow:**

What qualifications are required by the vocational training instructors and industrial instructors who are employed by the penitentiaries?

Mr. Bell (Saint John-Albert): Vocational training intructors (all trades). Qualifications: Technical school graduation, completion of apprenticeship type training with at least five years' experience at journeyman level. Experience as a foreman or a supervisor desirable. Training in modern teaching methods and ability to plan, organize and teach courses in the relevant trade.

Industrial instructor (all trades). Qualifications: Grade 10 education, technical school training preferred. Completed apprenticeship with at least four years' practical experience at journeyman level, preferably with some experience in a supervisory capacity.

ON THE JOB TRAINING OF GUARDS IN PENITENTIARIES

Question No. 1,245—**Mr. Orlikow:**

Who conducts the on the job training of guards hired to work in the penitentiaries?

Mr. Bell (Saint John-Albert): The on the job training of guards hired to work in penitentiaries is conducted by the squad leaders (keepers) under the over-all guidance of the staff training and safety officer.

GRANTS FOR SOCIAL WELFARE TRAINING

Question No. 1,246—**Mr. Orlikow:**

1. How much money has been allocated under the welfare training grants to help pay for the education of people desiring to improve their qualifications in the field of social work?

2. How many people are now at recognized professional schools under the provisions of these grants?

3. What are the amounts of the bursaries provided?

4. Has any money been allocated for research projects in the field of social service?

5. Have any plans been developed for research into appropriate use of sub-professional staff in the field of social welfare?

Mrs. Casselman: 1. $225,000 will be available under the national welfare program in the current fiscal year for general welfare and professional training. It is proposed that this amount be increased to $450,000 for the fiscal year 1963-64.

These funds will be made available for general welfare projects, teaching and field instruction projects, as well as for bursaries, staff training grants, scholarships, fellowships and staff development projects.

2. Funds were not available to initiate this program until the supplementary estimates were passed by the house on December 12, 1962. Following approval of funds by parliament, order in council P.C. 1963-15/1 was passed on January 3, 1963, setting out the nature and scope of the program under which these funds are to be made available. This information has been transmitted to the provincial welfare departments and to the schools of social work and projects for educational training in professional schools are now being received.

3. The welfare grants program makes provision for a provincial-federal scheme of bursaries and assistance for staff training. The value of the bursaries will be determined by the provincial welfare authorities with the federal government sharing up to a maximum of $1,500 for a year plus $500 for dependants. The federal government will also share the cost with the provinces of staff training grants designed to increase the qualifications of welfare personnel now employed in welfare programs.

Twenty welfare scholarships are to be offered by the federal government in 1963-64, valued up to $2,000 for a year. These will be for graduate study in social work and will be offered to those persons who have completed their undergraduate studies with high academic standing and who have been accepted for a course of full time study by a school of social work. Ten welfare fellowships are also to be offered by the federal government in 1963-64, valued up to $4,000 for a year plus $500 for dependants. These will be for graduate study at Canadian and foreign universities and will be offered to persons who have demonstrated leadership qualities and ability of a high order in the fields of administration, teaching, and research in welfare in Canada. These fellowships will be available to persons holding a master's degree in social work.

4. $25,000 will be available in the current fiscal year for welfare research work. It is proposed that this amount be increased to $50,000 for the fiscal year 1963-64.

A research review committee and members for research review panels have been asked to serve in connection with the research grant program. It is anticipated that a considerable number of research projects will be available for consideration and evaluation within the next several weeks.

5. There is considerable interest across Canada in the question of the use of sub-professional staff in the field of social welfare. There is a national welfare organization, the commission on education and personnel, associated with the Canadian Welfare Council, which is preparing a research project relating to various aspects of the effective utilization of welfare personnel. The department is hopeful that this organization will include in its project this important matter of the utilization of sub-professional staff.

ADVANCES TO WORKERS IN INDIAN CRAFTS

Question No. 1,248—**Mr. Brown:**

Has the government made any provisions for advancing money to Indian-craft workers in wintertime for making objects to be sold to summer tourists?

Mr. McGee: Yes. The Indian affairs branch has in its appropriation funds to provide assistance to Indian handicrafts producers. The two major forms of assistance extended by the branch under its handicrafts development program are the provision of raw materials and supplies, and the purchase of finished craft products for resale during the primary selling season.

Questions

CANADIANS LEAVING TO TAKE UP U.S. RESIDENCE

Question No. 1,249—**Mr. Brown:**

How many Canadians left Canada during the past year to take up permanent residence in the United States?

Mr. Nesbitt: Total immigrant aliens admitted to the United States, whose country of last permanent residence was Canada, for the calendar year 1961: 45,209.

Source: United States Department of Justice; immigration and naturalization service.

DISAPPEARANCE OF CANADIAN NAVAL OFFICER

Question No. 1,250—**Mr. Fisher:**

1. Did a Royal Canadian Navy officer disappear last summer into the Mediterranean sea area?

2. Was he found and, if so, where?

3. What were the actions taken to recover such a lost officer, and what disciplinary action was taken?

4. Has the navy an explanation for the reasons that may have led to the disappearance?

Mr. Harkness: 1. In April, 1962, an officer of the Royal Canadian Navy was absent without authority from his ship when the latter sailed from Portsmouth, England, to Canada. His whereabouts were at the time unknown.

2. Yes, he appeared at the Canadian consulate in Hamburg, Germany, on 28 November, 1962, requesting papers for a visit to South Africa, and was then identified as the missing officer.

3. A warrant was issued for his arrest as a suspected deserter and suitable steps were taken to trace and apprehend him. He was arrested at Hamburg by the Canadian Army provost corps. He was tried at Halifax, Nova Scotia, by general court martial on 12 December, 1962, on a charge of desertion under section 79 of the National Defence Act. He was found guilty and sentenced to imprisonment for one year and is now undergoing this sentence in a civil prison in Nova Scotia.

4. It is understood that the reasons were personal and not connected with his service in the Royal Canadian Navy.

(Translation):

NAVIGATION AIDS TO MAGDALEN ISLANDS

Question No. 1,252—**Mr. Sauve:**

Is it the intention of the government to instal on the Magdalen islands, during the spring of 1963 (a) a light buoy at the entrance of Aubert harbour (b) a light buoy at the place known as "Southwest of Old Harry" (c) a lighthouse at Gros Cap (west point) (d) coloured lights at the entrance signals of Aubert harbour?

Mr. McBain: (a) Yes. (b) Yes. (c) No. (d) Yes.

(Text):

FEDERAL, PROVINCIAL AND MUNICIPAL REVENUES

Question No. 1,253—**Mr. Sauve:**

For each fiscal year from April 1, 1930 to March 31, 1962, what were the total amounts of the revenues of the federal government, of the provincial governments, and of the municipalities (a) in absolute figures (b) as a percentage of the annual total of all revenue for each level of government?

Mr. Nesbitt: I would refer the hon. member to the following statement:

NET GENERAL REVENUE—ALL CANADIAN GOVERNMENTS

AFTER ELIMINATION OF INTERGOVERNMENT TRANSFERS[1]

For the fiscal year ended nearest to December 31	Federal	Percentage of Total	Provincial	Percentage of Total	Municipal	Percentage of Total	Total
			(millions of dollars)				
1960[2]	6,416	64.6	2,016	20.3	1,504	15.1	9,936
1959	5,736	62.8	1,947	21.3	1,455	15.9	9,138
1958	5,066	62.8	1,709	21.2	1,294	16.0	8,069
1957	5,396	65.6	1,641	19.9	1,180	14.5	8,217
1956	5,441	68.9	1,396	17.7	1,058	13.4	7,895
1955	4,668	67.9	1,262	18.4	943	13.7	6,873
1954	4,364	69.3	1,055	16.8	876	13.9	6,295
1953	4,650	72.0	993	15.3	811	12.7	6,454
1952	4,575	73.4	924	14.8	737	11.8	6,236
1951	3,936	71.0	949	17.1	660	11.9	5,545
1950	3,052	68.7	828	18.7	560	12.6	4,440
1949	2,545	67.2	733	19.3	512	13.5	3,790
1948	2,715	71.1	642	16.8	463	12.1	3,820
1947	2,840	74.9	540	14.2	413	10.9	3,793
1946	2,973	79.3	401	10.7	375	10.0	3,749
1945	2,957	81.6	322	8.9	345	9.5	3,624
1943	2,582	81.4	250	7.9	341	10.7	3,173
1941	1,440	69.5	302	14.6	331	15.9	2,073
1939	524	48.7	236	21.9	317	29.4	1,077
1937	502	48.9	221	21.5	304	29.6	1,027
1933	315	42.4	133	18.0	294	39.6	742

[1] The provincial and municipal government totals exclude both unconditional grants or subsidies and grants in aid and shared cost contributions, received from the senior levels of governments.

[2] Estimated.

NOTE: Data not available in comparative form for 1930, 1931, 1932, 1934, 1935, 1936, 1938, 1940, 1942, 1944 and 1961.

(Translation):

CANADIAN MARITIME COMMISSION GRANTS, MAGDALEN ISLANDS

Question No. 1,254—**Mr. Sauve:**

For each fiscal year from April 1, 1950 to March 31, 1962, what was the amount of each grant made by the Canadian maritime commission or any department of the federal government for the transportation of freight and/or passengers on any ship (indicating the name of the owners) in service between the Magdalen islands and any other port in Canada?

Mr. McBain: Part of the answer to this question will be found in the reply to question 1,209. In addition, a grant has been made to the following shipping company:

The Sea and Air Transport Co-operative, for the regular transportation of freight between the Magdalen islands and Halifax, as follows: in 1960-61, $6,667; in 1961-62, $30,000.

(Text):

NUCLEAR WEAPONS ON CANADIAN SOIL

Question No. 1,255—**Mr. Sauve:**

Are there any nuclear weapons on Canadian soil or on any territory north of the 49th parallel where American troops are stationed?

Mr. Harkness: There are no nuclear weapons on Canadian soil.

FISHERMEN'S INDEMNITY PLAN, MAGDALEN ISLANDS

Question No. 1,256—**Mr. Sauve:**

As of March 31, 1962, how many ships from Iles-de-la-Madeleine were insured under the provisions of the fishermen's indemnity plan, referred to on page 9 of the fifteenth report of the fisheries prices support board; and for the years 1960, 1961, and 1962, how many fishermen from Iles-de-la-Madeleine received an indemnity under this plan?

Mr. MacLean (Queens): As of March 31, 1962, 186 fishing vessels in Iles-de-la-Madeleine were insured under the fishermen's indemnity plan. The number of fishermen who received indemnity in respect of loss of or damage to fishing vessels during the calendar years 1960, 1961 and 1962, are:

Year	No. of fishermen receiving indemnity
1960	1
1961	Nil
1962	Nil

NET MESHING DIAMETER, GULF OF ST. LAWRENCE FISHERIES

Question No. 1,258—**Mr. Sauve:**

1. Does the government intend to propose, to those countries whose ships carry on fishing activities in the gulf of St. Lawrence, an international agreement designed to limit the diameter of the net meshing?

Questions

2. Does the government ensure that the gulf of St. Lawrence is patrolled in order that Canadian fishermen abide by the limits set on the diameter of net meshing and if so, how is this done?

Mr. MacLean (Queens): 1. Regulations are in effect for this purpose pursuant to the provisions of the international convention for the northwest Atlantic fisheries to which Canada is a contracting party.

2. Yes, by water patrol, but principally by checking of nets on board when fishing vessels are in port.

FORT CHURCHILL, MAN.—BAY BUS LINE

Question No. 1,259—**Mr. Douglas:**

Has an application been received from Mr. D. F. Purdy to operate the Bay bus line within Fort Churchill and, if so, what reply has been made?

Mr. Harkness: Yes, and Mr. Purdy has been advised the matter is under investigation.

POST OFFICE DEPARTMENT—TEMPORARY EMPLOYMENT TO HANDLE CHRISTMAS MAIL

Question No. 1,260—**Mr. Peters:**

1. How many persons were registered for unemployment insurance in categories suitable for temporary employment by the Post Office Department to handle Christmas mail in the current year (a) in Canada and (b) in Halifax, Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Calgary, and Vancouver?

2. How many of these vacancies were filled upon request from the Post Office Department?

Mr. Hales: 1. It is not possible to segregate from data available, persons registered for unemployment insurance in categories suitable for temporary employment with the Post Office Department to handle Christmas mail.

2. During the current year a total of 43,074 persons registered for employment at local offices of NES were referred to the Post Office Department for employment to handle the Christmas mail. Of these 33,033 were accepted for this work by the department. It is understood, however, that a number of these did not report when actually called to work by the post office.

POST OFFICE DEPARTMENT—TEMPORARY EMPLOYMENT TO HANDLE CHRISTMAS MAIL

Question No. 1,261—**Mr. Peters:**

1. How many temporary employees are hired in Canada for the handling of the Christmas mail during the current year, and how many in each of the following cities: Halifax, Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Calgary, and Vancouver?

2. How many of these temporary employees were requested from the national employment service?

3. How many were supplied from this source (a) in Canada (b) in the above named cities?

4. How many were recruited from other sources (a) in Canada (b) in each of the above named cities?

Mrs. Fairclough: 1. 50,241—Halifax, 770; Montreal, 9,550; Ottawa, 1,920; Toronto, 7,300; Winnipeg, 2,053; Regina, 510; Edmonton, 1,685 Calgary, 1,359; Vancouver, 3,878.

2. 33,147.

3. (a) 31,625. (b)—Halifax, 740; Montreal, 5,150; Ottawa, 1,624; Toronto, 1,900 Winnipeg, 2,053; Regina, 470; Edmonton, 1,685; Calgary, 1,304; Vancouver, 3,802.

4. (a) 18,616. (b)—Halifax, 30; Montreal, 4,400; Ottawa, 296; Toronto, 5,400; Winnipeg, nil; Regina, 40; Edmonton, nil; Calgary, 55; Vancouver, 76.

INDUSTRIAL RESEARCH ASSISTANCE GRANTS, DEFENCE RESEARCH BOARD

Question No. 1,263—**Mr. Hellyer:**

1. What is the total amount of money committed by the defence research board to industrial research assistance programs during the current fiscal year?

2. What is the name of the company and the amount and purpose of the grant in each case?

Mr. Harkness: 1. $5,030,140.

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2. Name of Company	Amount	Purpose of Grant
Atlas Titanium Ltd.	$ 87,750	Metallic halide dissociation research.
Jarry Hydraulics Ltd.	51,072	Welding research on high strength steels.
The DeHavilland Aircraft of Canada Ltd.	456,075	STOL aircraft research.
RCA Victor Co., Ltd.	77,500	Microwave properties of plasmas.
National Semi-Conductors Ltd.	46,000	Research on photoconductive cells.
Northern Electric Co. Ltd.	422,833	Study of semi-conductor materials for solid state devices.
Hawker Siddeley Canada Ltd. (Avro Aircraft Division)	208,295	Powered lift system.
Aviation Electric Ltd.	43,652	Wear and friction.

Name of Company	Amount	Purpose of Grant
Consolidated Mining & Smelting Co. of Canada Ltd.	120,000	Research on intermetallic compounds.
Honeywell Controls Ltd.	122,700	Thin film circuit techniques.
Canadian Westinghouse Co., Ltd.	175,000	Research on electroluminescence for display systems.
Erie Resistor of Canada Ltd.	50,000	Radio frequency suppression filters.
Dominion Magnesium Ltd.	32,100	Improved magnesium die casting alloys.
Consolidated Mining & Smelting Co. of Canada Ltd.	47,820	Zinc die-casting alloys research.
Sherritt Gordon Mines Ltd.	303,000	Dispersion strengthening and flame spraying with powdered metals.
Geo-Met. Reactors Ltd.	47,600	Production methods of strategic ferroalloys.
Central Dynamics Ltd.	58,000	Research into coded data processing.
Ferranti - Packard Electric Ltd.	185,500	Microconnections for microminiature circuits.
Ferranti - Packard Electric Ltd.	55,500	Prevention of errors in data transmission systems.
Canadian Aviation Electronics Ltd.	25,500	Feasibility study on an electrolytic integrator.
RCA Victor Co., Ltd.	215,000	Solid state research in support of satellite telemetry systems.
Canada Iron Foundries Ltd.	72,450	Impact resistance of modular iron at low temperatures.
Canadian Pratt & Whitney Aircraft Co., Ltd.	25,000	Annular combustion chamber research.
CTS of Canada Ltd.	203,000	Research on non-linear active devices.
Canadair Ltd.	60,919	Crack propagation in panels and aircraft structures.
Atlas Steels Ltd.	42,500	Effects of uranium in aircraft quality steels.
Canadair Ltd.	33,374	Metals fabrication and processing research.
Canadian Aviation Electronics Ltd.	122,000	Magnetic anomaly detection research.
Canadian General Electric Ltd.	1,380,000	Research on signal processing.
Ferranti - Packard Electric Ltd.	260,000	Cryogenic research program.

CHANGES IN MAIL SERVICE, NOVA SCOTIA

Question No. 1,264—**Mr. Stewart:**

1. Has any change in mail service to North Brookfield, Pleasant River, and New Elm, Nova Scotia, been made since November 1, 1962, and, if so, what change?

2. Are any changes contemplated in that service?

Mrs. Fairclough: 1. Yes. (a) Effective, November 1, 1962, delivery of mail on South Brookfield rural route No. 1, which serves the North Brookfield, Pleasant River and New Elm area, was changed from afternoon to morning. (b) Effective December 1, 1962, service on this rural route was changed back to afternoon delivery.

2. The department is now looking into the possibility of providing an earlier afternoon delivery of mail to this area.

QUESTIONS PASSED AS ORDERS FOR RETURNS

DROWNING DEATHS—USE OF SNORKEL APPARATUS

Question No. 1,120—**Mr. Brown:**

1. How many deaths, in Canada, by drowning, were attributable to the use of snorkels in each of the years 1959, 1960, and 1961?

2. Is any consideration being given by the government to the prohibition of the sale of snorkels?

Mr. Halpenny: Return tabled.

Orders for Returns

ST. JOHN AMBULANCE CERTIFICATES

Question No. 1,133—**Mr. Matheson:**

How many St. John Ambulance certificates were issued during the year 1961 to the following categories of personnel (a) army, navy and air force (b) Royal Canadian Mounted Police (c) penitentiary staff (d) emergency measures organization (e) other civil servants (f) inmates of federal institutions?

Mr. Halpenny: Return tabled.

MINIMUM WAGES IN MUNICIPAL WORKS

Question No. 1,136—**Mr. Perron:**

Do the terms of agreements entered into by the federal government with respect to winter or other works carried out at a municipal level specify a minimum wage, and, if so, has the government investigated any complaints or irregularities relating to such agreements?

*UNIVERSITY STUDENTS APPLYING FOR ENGINEERING POSITIONS

Question No. 1,145—**Mr. Rinfret:**

1. In 1961, how many university students and graduates were candidates in the examinations held by the civil service commission for positions of civil engineer, electrical engineer, and mechanical engineer?
2. How many candidates were successful in the examinations?
3. How many candidates came from the universities of Laval, Montreal, and Sherbrooke and, of these, how many were successful?
4. How many candidates who were successful in the examinations were accepted for employment by the civil service commission?
5. How many, among those who accepted employment, came from the university of Laval, the University of Montreal, and the university of Sherbrooke?

Mr. Halpenny: Return tabled.

*UNIVERSITY STUDENTS APPLYING FOR BIOLOGICAL SCIENCES POSITIONS

Question No. 1,146—**Mr. Rinfret:**

1. In 1961, how many university students and graduates, were candidates in the examinations held by the civil service commission for graduate specialists in the biological sciences?
2. How many candidates were successful in the examinations?
3. How many candidates came from the universities of Laval, Montreal, and Sherbrooke and, of these, how many were successful?
4. How many candidates who were successful in examinations for these situations were accepted for employment by the civil service commission?
5. How many among those who were accepted for employment came from the universities of Laval, Montreal, and Sherbrooke?

Mr. Halpenny: Return tabled.

*UNIVERSITY STUDENTS APPLYING FOR PHYSICAL SCIENCES POSITIONS

Question No. 1,147—**Mr. Rinfret:**

1. In 1961, how many university students or graduates applied to the civil service commission with a view to obtaining employment requiring training in the field of physical sciences?

[Mr. Halpenny.]

2. How many candidates were successful in the examinations?
3. How many candidates come from the universities of Laval, Montreal, and Sherbrooke and, of these, how many were successful?
4. How many among those who succeeded in the examinations accepted employment with the civil service commission?
5. How many among those who accepted employment came from the university of Laval, the University of Montreal, and the university of Sherbrooke?

Mr. Halpenny: Return tabled.

*RADIOACTIVE FALL-OUT SHELTERS, CHAPLEAU CONSTITUENCY

Question No. 1,187—**Mr. Laprise:**

1. How many radioactive fall-out shelters were built in Chapleau constituency in 1961 and 1962?
2. What is the name of the one, or the several, contractors who built them?
3. How much did each of the shelters cost?

Mr. Halpenny: Return tabled.

PILOTAGE SERVICE, LES ESCOUMINS, QUE.

Question No. 1,215—**Mr. Dumont:**

1. Were the boilers in the vessel *Citadel* in good condition at the time of its sale?
2. What were the operating costs of the *Citadel* for the year 1961 on pilot service at Les Escoumins?
3. What accounts for the difference in construction costs between the sister pilot boats Nos. 9 and 10, and is boat No. 9 considered to be of better quality than boat No. 10?
4. Can the Department of Transport certify the use of pilot boats Nos. 9 and 10 for navigation during icing conditions prevalent in the winter season?
5. Was any consideration given to the construction of double hulled pilot boats instead of single hulled models?
6. How much does the Department of Transport charge shipping companies per vessel for the taking on and letting off, of pilots at Les Escoumins; what was the total amount collected during the year 1961, and who acquires this revenue?
7. Does this scale exist in other pilotage services and, if so, in which ones and under what circumstances?
8. How many qualified St. Lawrence pilots are employed in the Quebec and Montreal districts, and what is the mother tongue of each?
9. What are the respective salaries and duties of the following officials: F. S. Slocombe, Booths, D. R. Jones, A. Cumin, Catinus and J. Gendron?

Mr. McBain: Return tabled.

COMBINES ACT INVESTIGATIONS AND CONVICTIONS

Question No. 1,229—**Mr. Douglas:**

1. Since January 1, 1945, what investigations have been carried out under the terms of the Combines Investigation Act, R.S.C. 1952, c. 314, or the former combines investigation act or under any amendments thereto, up to the present time, and what are the names of the firms, corporations or individuals investigated?
2. What convictions have been registered since January 1, 1945, giving names of the firms, corporations or individuals concerned, under the statutes set out in part 1, or under the provisions of sections 498 and 498a of the Criminal Code, chapter

36, R.S.C. 1927, or under section 411 or 412 of the Criminal Code, 2 and 3 Elizabeth 2nd, c. 51, and amendments thereto, and what penalties were imposed in each case?

Mr. Bell (Saint John-Albert): Return tabled.

FEDERAL WORKS, LAKE ST. JOHN CONSTITUENCY

Question No. 1,241—**Mr. Lessard (Lake St. John):**

1. What is the nature, place and value of federal works under way or completed in the constituency of Lake St. John during 1962?
2. What is the nature, place and estimated value of federal works at present under study for the constituency of Lake St. John?
3. What amount did the Department of Public Works spend in each of the ten provinces of Canada during 1960-61, and to November 1, 1962?

BUSINESS OF THE HOUSE

INQUIRY AS TO SPECIAL COMMITTEE ON DEFENCE POLICY

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I should like to ask the Prime Minister whether the government has come to any decision regarding the setting up of a special committee on defence policy.

Right Hon. J. G. Diefenbaker (Prime Minister): The view of the government, as was the view expressed by the hon. gentleman himself on more than one occasion, has always been that questions of policy are for the government to determine. We have no intention, therefore, to set up a committee on defence policy.

INQUIRY AS TO ACTION RESPECTING DIVORCE BILLS

On the orders of the day:

Mr. Leon Crestohl (Cartier): I should like to address a question to the Prime Minister. Can the Prime Minister inform the house whether the government will introduce legislation or take other steps to solve the impasse which parliament and the country is facing as a result of the blockade of the divorce bills now before parliament?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think this question is receiving consideration among the representatives of the three parties.

TRANSPORT

RAILWAY BRANCH LINES—CONSIDERATION OF SUGGESTIONS OF PROVINCES

On the orders of the day:

Mr. E. Nasserden (Rosthern): I should like to ask the Prime Minister what action is being taken to meet the suggestions of the provinces and other interested parties with regard to railway abandonment in Canada and the recommendations of the MacPherson commission report.

Right Hon. J. G. Diefenbaker (Prime Minister): The premiers of the three western provinces asked for a meeting with the government of Canada for the purpose of placing before the government their views on the abandonment of railway facilities in western Canada. We received a message on the 10th of this month. On the 11th we advised that at that time we did not think a meeting would be beneficial. Since then a bill has been completed in its draft form. It will not be introduced until these provincial governments have an opportunity of presenting their views. An indication has been given that we are prepared to meet with the premiers of Manitoba, Saskatchewan and Alberta on January 28.

ARTS, LETTERS AND SCIENCES

SUGGESTED ROYAL COMMISSION TO STUDY CANADIAN CULTURAL SITUATION

On the orders of the day:

Hon. Lionel Chevrier (Laurier): May I direct a question to the Prime Minister and ask him if the government has taken a decision with reference to the inquiry on bilingualism and biculturalism, as proposed in this house by my hon. friend the Leader of the Opposition.

Right Hon. J. G. Diefenbaker (Prime Minister): I think this is a question which should be dealt with at some length. I will make a statement tomorrow before the orders of the day, if the house will allow setting out the view of the government on this question and also on the alternative thereto which the government intends to support, namely, the bringing together in convocation of the representatives of the various provinces of Canada, believing, as this government does, that matters as important as this, which touch on the constitutional development of our country, must be considered in consultation on the basis of a spirit of unity.

EXTERNAL AFFAIRS

NUCLEAR TESTING—REQUEST FOR STATEMENT RESPECTING ON-SITE INSPECTION

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Secretary of State for External Affairs. Has the hon. gentleman any information to give the house with respect to the most interesting announcement recently by Premier Khrushchev with

regard to his giving favourable consideration to on-site inspection of nuclear tests by the use of what are termed black boxes?

Hon. Howard C. Green (Secretary of State for External Affairs): Within the last day or two there has been made public an exchange of letters between President Kennedy and Chairman Khrushchev on this particular subject. They may turn out to be of great importance and, if the house so wishes, these letters could be printed as an appendix to *Hansard*.

Briefly, the present position is that an understanding seems to have been reached on the principle that a test ban covering underground tests should be verified by a control system including (i) national detection systems; (ii) automatic seismic stations in various areas, including the territory of the nuclear powers, which would be serviced by international personnel; and (iii) a certain number of on-site inspections. The main point remaining to be dealt with is the number of on-site inspections which would be permitted. The U.S.S.R. is suggesting two or three and the United States is suggesting eight or ten. Negotiations are continuing in Washington, however, and we hope that these matters can be settled without delay. I would point out that representatives of the United Kingdom are to be sitting in on the talks tomorrow.

An agreement on this vital subject may possibly be within sight. We have repeatedly emphasized the crucial importance of a test ban treaty both from the standpoint of human health and as a first step toward curbing the armaments race. The simple fact of east-west agreement in this field would also provide a significant psychological impetus toward wider agreement on disarmament and perhaps other issues. We are convinced that President Kennedy, Prime Minister Macmillan and Chairman Khrushchev recognize these facts, and that outstanding differences will be judged in the light of the immense gains which a treaty ending nuclear weapons tests would bring to all mankind.

[*Later:*]

Mr. Speaker: Order. I regret that following the reply given by the Secretary of State for External Affairs I omitted to ask leave of the house for the insertion in *Hansard* of certain communications to which the minister referred. He asked that they be printed as an appendix to *Hansard*. Does the hon. minister have that leave?

Some hon. Members: Agreed.

[*Editor's note: For text of documents referred to above, see Appendix "C".*]

[Mr. Herridge.]

COLOMBO PLAN—REPORTED CRITICISM OF REDUCTION IN CANADIAN CONTRIBUTION

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the secretary for external affairs. A former Colombo plan administrator has criticized the Canadian government for reducing its contribution to the plan. Can the minister inform the house if it is the intention of the government to bring Canada's contribution up to the level of former years?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, perhaps the hon. member—

Mr. Speaker: Order. I think in view of the fact that the hon. member is asking the minister to comment in some form or other upon the statement of a person outside this house he will recognize that his question is out of order.

POST OFFICE DEPARTMENT

DESIGNATION OF LAKEHEAD CITIES AS POSTAL AREA

On the orders of the day:

Mr. Hubert Badanai (Fort William): I should like to direct a question to the Postmaster General, notice of which has been given. Has the minister received from the cities of Fort William and Port Arthur a request for the designation of the united cities as one postal area and, if so, has the government given any consideration to this proposal?

Hon. Ellen L. Fairclough (Postmaster General): I have heard not only from these two municipalities but from the chambers of commerce connected with them, and the matter is under study.

TRANS-CANADA AIR LINES

WINNIPEG—REPORTED TRANSFER OF REPAIR WORK TO MONTREAL

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. In view of the discussions which took place in Winnipeg during the Christmas recess concerning the proposed transfer of the T.C.A. overhaul base from Winnipeg, has the minister a statement to make as to whether or not the government is looking into this matter?

Hon. Gordon Churchill (Minister of Veterans Affairs): Yes, the matter is being looked into. We are anticipating the arrival of a delegation from the provincial government

and interested residents of Manitoba to meet with us, I think next week, to discuss the matter.

FISHERIES

REQUEST FOR STATEMENT ON NORTH PACIFIC TREATY

On the orders of the day:

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I should like to address a question to the Minister of Fisheries, of which I have just now given him notice. I would ask if he would agree to undertake to make a statement to the house in the next few days regarding the position of the north Pacific international fisheries treaty and the amendments which are proposed thereto?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, this will depend upon the sequence of future events. I will certainly be making a statement in this regard on the estimates of my department, but it is possible that I might make a statement before that depending on circumstances.

INQUIRY AS TO PROTECTION OF WEST COAST FISHERIES

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, I should like to address a question to the Minister of Fisheries. During the recent discussions on Canadian-Japanese trade in Tokyo was any consideration given to the urgent need to protect the halibut and herring fisheries on the west coast of British Columbia?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, a useful discussion was had between myself and my colleagues and our opposite numbers in the Japanese government in Tokyo, as has already been reported by the Minister of Justice. The herring and halibut fisheries of the Pacific coast of North America are under the north Pacific international fisheries convention, and that convention has been in existence now for almost ten years. There has been no change in that convention. Certain recommendations which were made recently by the international north Pacific fisheries commission are in conformity with the terms of the treaty.

HEALTH AND WELFARE

INQUIRY AS TO HEALTH PROTECTION IN NORTHERN AREAS

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the minister of northern affairs. In view of recent disclosures that the level of strontium 90 and cesium 132 has reached dangerous proportions in parts of northern Canada, what steps has the government taken to protect the health of Canada's Eskimo population and of other citizens inhabiting the area?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, the department has taken the problem under consideration. We have already had discussions with the Department of National Health and Welfare on this matter. There is no positive information available other than reports from newspapers, and I can assure the hon. member that we are trying to get the actual facts.

LIEFCORT—INQUIRY AS TO PROHIBITION OF MANUFACTURE

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, may I ask the Minister of National Health and Welfare whether, in view of further reports of the serious side effects of the drug liefcort, the minister has requested Dr. Liefmann to stop manufacturing this drug.

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I have noticed one or two very recent reports about this matter, and we are looking into the subject.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Real Caouette (Villeneuve): Mr. Speaker, I should like to direct a question to the Prime Minister. Would the Prime Minister be in a position to tell us whether it is true that General Norstad has been nominated the chief defence adviser of the Canadian Liberal party—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I do not think that one requires any comment.

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Prime Minister a question relating to the comments reported in the press to have been made by the hon. member for Bonavista-Twillingate concerning the proceedings in this house immediately after 4.55 p.m. on December 19. I should like to ask the Prime Minister whether he has under consideration any explanation or apology to those "inexperienced M.P.'s" whom the hon. member for Bonavista-Twillingate asserts he so cleverly tricked at that time.

Inquiries of the Ministry

Mr. Speaker: Order. I think the hon. member is trying to fish in somewhat troubled waters. Since we have heard a great deal about fishing this afternoon, I think we will now put away the gear.

TRADE

GATT—CANADIAN REPRESENTATION AT MINISTERIAL MEETING

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce. Can the minister inform the house who will be the Canadian representatives at the forthcoming ministerial meeting of the contracting parties to the general agreement on tariffs and trade?

Hon. George H. Hees (Minister of Trade and Commerce): I will report to the house as soon as possible on that matter.

(Translation):

BUSINESS OF THE HOUSE

REQUEST FOR MEETING OF INDUSTRIAL RELATIONS COMMITTEE

On the orders of the day:

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): I should like to direct a question to the Minister of Labour. In view of the considerable increase in the number of unemployed, does the government intend to convene the committee on industrial relations immediately?

(Text):

Hon. Michael Starr (Minister of Labour): Mr. Speaker, the last dominion bureau of statistics figure the hon. member refers to shows a rise in unemployment mainly in those engaged in seasonal industry. This figure was taken one month later than the previous year. Those who are engaged in computing these figures and assessing the situation advise me that if this same survey had been taken at the same time as it was last year, then it would have shown a decrease in unemployment by some thirty to forty thousand from the year previous.

(Translation):

Mr. Deschatelets: A supplementary question, Mr. Speaker. In addition to the winter works program, will the government introduce other immediate measures to help the unemployed?

(Text):

Mr. Starr: Mr. Speaker, those who are now unemployed are those engaged in seasonal industry. They have been in that same category in years gone by, and I am sure that if their desire is to remain in seasonal industry they will be unemployed during this period of time when that industry is not functioning.

[Mr. Fisher.]

(Translation):

Mr. Dumont: May I ask a supplementary question, Mr. Speaker? Could the Minister of Labour tell us how many unemployed are not entitled to unemployment insurance benefits at the present time?

Mr. Speaker: The hon. member will recognize that his question has to do with information which the minister would not have on hand. I would therefore advise him to put his question on the order paper.

FINANCE

REQUEST FOR INCREASE IN TAX EXEMPTIONS

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, may I direct a question to the Prime Minister? Is it the government's intention to increase the tax exemptions in order to relieve the Canadian small wage earners?

Mr. Speaker: This is not only a matter of government policy but also a budget matter. The hon. member will agree, I think, that his question, at this time, is contrary to the rules of this house.

TRADE

INQUIRY AS TO APPOINTMENT OF DIRECTORS

On the orders of the day:

Hon. Lionel Chevrier (Laurier): My question is directed to the Associate Minister of National Defence. Could the minister tell us when the directors of the Canadian World Exhibition Corporation will be appointed?

Mr. Sevigny: Within a few days.

(Text):

AGRICULTURE

INQUIRY AS TO PROVISION OF FEED GRAIN STORAGE

On the orders of the day:

Mr. Horace A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Prime Minister and through him, because I think they are also involved, to the Minister of Transport or the Department of Transport, the Department of Agriculture, and perhaps even the Department of Public Works. I should like to ask him when he intends to introduce legislation to provide for additional feed grain storage in eastern Canada and in British Columbia, as was anticipated in the speech from the throne.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, what we indicated in the speech from the throne will be carried out. As the hon. member knows, the volume of business before the house now denies my allocating any time in the future for the consideration of this particular matter. It is important. We hope that we will get around to it very shortly, but I can say only that that depends on the co-operation of all hon. members in the implementation of the program which is before the house.

(Translation):

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Minister of Agriculture or, in his absence, to one of his parliamentary secretaries.

Is the announced construction of grain elevators to serve 40 Quebec ridings at a cost of $3 million to be the only such project for eastern Canada and for the benefit of farmers?

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, the hon. member will be informed of the extraordinary legislation which will be announced by the minister himself in due course.

Mr. Dumont: I hope it will not take ten years.

Mr. Pigeon: No. You now have a progressive government.

(Text):

REPORTED INTENTION TO CURTAIL RECORD OF PRODUCTION PROGRAM

On the orders of the day:

Mr. Lucien Lamoureux (Stormont): Mr. Speaker, I should like to direct a question to the Minister of Agriculture or to his parliamentary secretary. In view of current reports that the government plans to curtail the record of production testing program for dairy cattle, can the minister tell the house whether he is planning to limit or abolish this very essential service?

Mr. W. H. Jorgenson (Parliamentary Secretary to the Minister of Agriculture): Mr. Speaker, I think the minister would wish to reply to that question. He will be back in the house tomorrow.

POWER

COLUMBIA RIVER—INQUIRY AS TO MEETINGS WITH B.C. PREMIER

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, in order to satisfy our insatiable curiosity and to bring us up to date, I wish to ask a question of the Minister of Justice. Has he any further information to give the house with respect to meetings with Premier Bennett of British Columbia in connection with the Columbia development, or are any meetings proposed?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, there have been no meetings with Premier Bennett since this question was last asked in the house, and none has been arranged.

CIVIL DEFENCE

REPORTED CONVERSION OF PUBLIC BUILDINGS INTO FALL-OUT SHELTERS

On the orders of the day:

Mr. J. E. Walker (York Centre): Thank you, Mr. Speaker; this is the most exercise I have had since before we adjourned. I have a question for the Minister of National Defence. I asked this question in December of the Prime Minister, and the suggestion was that we wait till the minister returned. Is the government pushing ahead with an estimated $1 billion program of converting over 4,000 public buildings into community fall-out shelters, as has been reported by the minister to the press?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, the minister never at any time reported any such thing to the press. I saw a press report mentioning some figure of $1 billion and so forth which I was very surprised to see. When the dominion-provincial conference on emergency measures was held here some few weeks before Christmas we had considerable discussion about the matter of providing fall-out shelters. We had particularly a discussion on the amount of work which had been done in surveying the capability of existing buildings as to their capability of providing fall-out protection. I refer particularly to government buildings including, dominion, provincial and in some cases municipal buildings. At that time I stated that as far as we were concerned this survey was fairly well completed, that I hoped the provinces and municipalities would complete their buildings, and that we were having estimates made as to what the cost would be of improving the fall-out capabilities of these buildings. That is as far as I went.

Inquiries of the Ministry

Mr. Walker: May I take it that the emphasis put in this news report is not in keeping with what the minister had in mind?

Mr. Harkness: No. This mention of the billion dollars was a great surprise to me. I had never heard any estimate of that amount in connection with this program if it is carried out.

Mr. Thomas R. Berger (Vancouver-Burrard): I wish to ask the minister a supplementary question. Can the minister tell the house whether any funds available to the government of Canada are being expended on new construction for fall-out shelter purposes?

Mr. Harkness: Mr. Speaker, I am not quite sure that I know what the hon. member means. Some of the buildings being constructed at the present time are being constructed in a way which gives a very good degree of fall-out protection in their basements and so on. The only buildings which are being built, however, and which are designed particularly for protection against fall-out are ones for emergency measures and military headquarters of various kinds.

(Translation):

POST OFFICE DEPARTMENT

REPORTED POLITICAL PATRONAGE IN CERTAIN CONSTITUENCIES

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to direct a question to the Postmaster General. Does the minister approve of the high political patronage policy which is being carried out at present in certain ridings represented by members of the opposition?

Mr. Speaker: Order. The hon. member will undoubtedly agree that he is not seeking information but merely making a statement.

(Text):

ATLANTIC DEVELOPMENT BOARD

INQUIRY AS TO IMPLEMENTATION OF LEGISLATION

On the orders of the day:

Mr. A. J. MacEachen (Inverness-Richmond): I have a question for the Minister of National Revenue. Will the minister tell the house why action was not taken in the past month to set up the Atlantic provinces development board which in early December was regarded as an urgent matter?

Hon. H. J. Flemming (Minister of National Revenue): Mr. Speaker, I am sure that the hon. gentleman understands that with so many matters of very urgent public importance, it was impossible to get everything done at once. However, if he will contain himself I am sure that in a day or two he will be satisfied.

(Translation):

CANADIAN NATIONAL RAILWAYS

MONTREAL-CHICOUTIMI—INQUIRY AS TO UNILINGUAL EMPLOYEES

On the orders of the day:

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I should like to direct a question to the Minister of Transport. Is the minister aware of the fact that there are still on the trains between Montreal and Chicoutimi employees who speak only one language—

Mr. Speaker: Order. The hon. member must know that his question is out of order at this time.

INQUIRY AS TO INVESTIGATION INTO PERSONNEL

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I would like to ask the Minister of Transport whether he has received an interim report from Mr. Donald Gordon, pertaining to the proposed investigation on the C.N.R. personnel? May I point out that the minister announced that investigation about five weeks ago—

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, the only thing I know so far is that the investigation is under way. Some sittings have been held, and the parties concerned are setting up the secretariat required in order to carry out this work.

(Text):

BRIDGES

CHAMPLAIN BRIDGE, MONTREAL—SUGGESTED ABOLITION OF TOLLS

On the orders of the day:

Mr. Bryce S. Mackasey (Verdun): I wish to direct a question to the Minister of Transport. Will the government consider the abolition of tolls on the Champlain bridge, should either Point St. Charles or LaSalle be chosen as the site of the world's fair and if recommended by the newly appointed commissioner general?

Mr. Speaker: Order. The matter of the location of the fair being hypothetical at the moment, I think the question becomes even more hypothetical.

OLD AGE PENSIONS

REQUEST FOR INCREASE DURING PRESENT SESSION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of the report that the premier of Quebec has indicated his non-concurrence in the proposed amendment of the British North America Act with regard to old age pensions, will the government at this session of parliament propose some other way of increasing old age pensions?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, part of that question is policy and part of it is impolitic.

Mr. Knowles: I have a supplementary question. May I ask the Prime Minister whether he will bring down and have placed on *Hansard* the further correspondence that appears to have taken place on this question during the Christmas recess.

Mr. Diefenbaker: Yes.

ADMINISTRATION OF JUSTICE

SONS OF FREEDOM, B.C.—INQUIRY AS TO REQUEST FOR ASSISTANCE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I should like to ask the Prime Minister a question. Has any recent request been received from either the government of British Columbia or the city of Vancouver for federal assistance or consultation with regard to the invasion of Vancouver by the Sons of Freedom?

Some hon. Members: Oh, oh.

(Translation):

TRANSPORT

BILINGUAL PASSES FOR MEMBERS OF QUEBEC LEGISLATIVE ASSEMBLY

On the orders of the day:

Mr. Gerard Perron (Beauce): Mr. Speaker, I should like to direct a question to the Minister of Transport. Does the minister think it normal that the passes issued by the railways last December 12 to the members of the Quebec legislature be unilingual and in English only?

Mr. Speaker: Order. Here again, I think the hon. member will admit that his question is out of order.

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I would like to repeat differently the question of the hon. member for Beauce (Mr. Perron):

Inquiries of the Ministry

Since federal members of parliament have received for the first time this year bilingual passes, could the Minister of Transport not do the same—

Mr. Speaker: This was not a question—

Mr. Dupuis: They have always been bilingual.

Mr. Speaker: I must inform the hon. member for Lapointe that such a question should not be asked on the orders of the day.

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, will the question of the hon. member for Lapointe be printed in *Hansard*? The premise of his question was false. Therefore I ask whether it is going to be printed in *Hansard.*

Mr. Speaker: Order. The hon. member must admit that the questions which are put forward, or at least a good portion of the questions—

Mr. Gregoire: I rise on a matter of privilege—

Mr. Speaker: Order. A matter of privilege cannot be raised when another one is already before the house.

The hon. member for Maisonneuve-Rosemont must recognize that questions which are out of order are nevertheless printed in *Hansard.* They appear in *Hansard* and cannot be removed. Consequently, there is no matter of privilege.

Mr. Deschatelets: Mr. Speaker, I rise on a question of privilege.

Following the statement of the hon. member for Lapointe, who just asserted that the passes we received prior to this session were unilingual, I must state that this is false. In fact, the passes I have been receiving for years have always been printed in both languages. This is what I wanted to put on the record.

Mr. Speaker: I do not believe we should start a discussion, make trouble or show stubbornness about a minor point.

Mr. Gregoire: Mr. Speaker, I rise on a matter of privilege.

Since I have been charged with making a false statement concerning the delivery of passes, I should like to take up the issue as a matter of privilege.

The passes which we have received from T.C.A. this year are, for the first time, printed in both languages. Those we received last year were unilingual.

National Economic Development Board

Mr. Speaker: The point of the matter is that hon. members are talking about different things. I am of the opinion that if the two hon. members could agree on the means of transport concerned, whether it be by airplane or by railroad, these sort of discussions could be avoided.

(Text):

HOUSE OF COMMONS

INQUIRY AS TO SALARY INCREASES FOR STAFF

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Can the minister say whether the commissioners of internal economy of the House of Commons have yet dealt with the question of salary increases for employees of the House of Commons comparable to those given to classified civil servants before Christmas?

Hon. George C. Nowlan (Minister of Finance): The commissioners have dealt generally with this matter. There are one or two details which have yet to be arranged, but the matter will be dealt with within the next day or two.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Thursday, November 29, consideration of the motion of Mr. Nowlan for the second reading of Bill No. C-87, to provide for the establishment of a national economic development board.

(Translation):

Mr. Real Caouette (Villeneuve): Mr. Speaker, to add to the remarks I was making when this debate was adjourned, I now want to reiterate here that we approve the passing of a legislation to establish a national economic development board.

I am not going to delay the business of the house to a great extent, because several hon. members want to deal with the matter. And as we are just coming back from a well deserved holiday, during which I had the privilege of holding 42 meetings without the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis), it is not only necessary, but urgent that the Canadian parliament pass such legislation at the earliest possible date.

If we members of parliament are unable to see the almost unlimited opportunities for economic development which this country offers, I believe that there are, among our own voters, some people who can easily guess that there are such possibilities.

[Mr. Gregoire.]

As I just said, our opportunities are vast and indeed, unlimited. There is no member in this house nor any Canadian citizen who need fear to be unable to find some sort of production tomorrow, in Canada whether in the field of clothing, food or housing. As yet unsuspected resources are available to us which could be developed at the earliest opportunity. We realize that everything cannot be achieved within a month, or six months, or even a year, but we believe that the time has come to see that those natural resources of ours in Canada are developed, so that we may attain a maximum of employment—I do not say full employment, because I do not believe it possible, but a maximum of security and personal freedom which we crave, and that within the limits of this Canada of ours.

Mr. Speaker, these days, some groups try to convince our people that it is necessary for us to accept nuclear arms on our soil or to equip our forces overseas with those nuclear arms.

I believe that the act establishing a national economic development board would counteract those plans for building up nuclear stocks in Canada.

Instead of preparing this country with only 18 million people for a possible war and building up nuclear reserves, we should all get together and promote the production of butter and bread, and prepare our available potential so as to be able to distribute food to the underdeveloped people of the world who are starving at this time.

We would, then, be an example of peace and freedom for everybody. I believe that this would be the most important role for Canada to play on the international scene, that is to become an agent for peace and freedom for those people who are now in distress and poverty and are letting themselves be slowly submerged by international communism.

Mr. Speaker, we Social Crediters have been for a long time promoting these economic development measures. We believe in our country, we have confidence in our population and, as we have repeated many times, we are convinced that what is physically feasible should be made financially possible.

What is morally desirable, what we can achieve with our talents, our own forces, by means of our social organization, all that should be made financially possible.

I think that, even among those who have been fighting us for the last 25 years; that principle is accepted more and more; in any case, it is certainly accepted by the Canadian population.

There is no question here of playing politics when the very future of Canada is at stake; in fact, the future of coming generations, those of our children and grandchildren, is at stake.

It is pointless to pass a piece of legislation, if it is to remain inoperative. To adopt a piece of legislation is nothing; what counts is to adopt and apply it in such a way that Canada may grow and develop by means of the intelligence and talent of its people.

By so doing, Mr. Speaker, we shall efficiently fight unemployment and we shall guarantee some measure of security to each Canadian citizen. In addition, we shall ensure his personal freedom; in other words, we shall offer him security through freedom.

No one among us wants to become a slave. No one wants to be under the yoke of a government nor be dominated by some minister, government or party leader. We prize our freedom above all. Now, if we really prize our freedom, we of this august assembly, the House of Commons—the drawing room of the nation, as it is called throughout Canada—should make a stand for the development of our natural resources. Now, that bill, setting up an economic board which will guide and increase production, does not solve our problem, which is one of distribution. If it is a problem of distribution, it follows therefore that the bill setting up a national economic development board should see to it, first of all, that production reaches its objective, which is to provide for the needs of Canadian consumers.

At that time, we shall have done a service not only to our electors but also to the population of Canada as a whole, and we shall have proven to the world at large that Canada is able to manage its own affairs by itself. Canada can create something and give the world at large the example of peace, justice and security in freedom.

(Text):

Mr. David Lewis (York South): Mr. Speaker, everybody in the house, as outside the house, has latterly spoken in favour of some form of planning. It is true that the hon. member for Villeneuve (Mr. Caouette) apparently prefers the word "orientation" to "planification", but even he emphasizes the need for some form of planning in this country.

In order to understand and discuss the principles of the bill before us I think one has to keep in mind some other agencies which the government has presented to this parliament. Those of us who have believed for a long time in social and economic planning were always confronted with the accusation that planning would mean a proliferation of boards and that it would mean many instruments of bureaucracy. Our opponents were wrong in that criticism of the kind of planning we have been advocating, but the same people have now implemented their erroneous understanding of planning for the purposes of this Canada of ours. Now we do have a proliferation of so-called planning agencies, unrelated one to the other in their set-up and without any kind of integration either of their work, their studies, their plans, or their conclusions.

Let me remind the house, Mr. Speaker, that we have the board proposed by the bill now before us, the national economic development board, to consist of from 14 to 24 members, with all but the chairman working in spare time. Then we have the Atlantic development board established just the other day by legislation. It is to be composed of five members, all of them spare time. Then we have the advisory council on industrial change and manpower adjustment, which is part of a bill presently before parliament. That bill does not tell us the number of members on the council, but only the chairman is to receive any remuneration. Finally, we have the national productivity council the membership of which it is proposed to increase from 25 to 28, and not one of the members of that council is full time. Each one of them is to do the work in his spare time.

Thus we have at least four agencies, and there are others as well, with only one person who will be full time of the entire group of members on all the agencies, namely the chairman of the board being created by the bill now before us. Mr. Speaker, we are to assign to these groups of men who are to give their spare time to the work, the task of planning our economy, the re-allocation of industry, the productivity of our economy and all the other tasks that have to be performed.

Mr. Speaker, I call that cocktail planning. A lot of busy industrial executives and leaders of labour and agriculture are to be brought together from time to time and, over cocktails and a leisurely meal, they are to try to plan the economy of Canada. This cannot be done. This indeed will not be done. This kind of proposal is characteristic of a government and a party which do not really believe in economic planning but which are paying lip service to that which has become popular the world over, and are attempting

merely to patch up a little bit of the manifest inefficiency of which they have been guilty for the last five or more years.

The mix-up is much worse than that painted by the words I have just spoken. I ask hon. members to recall that the board we are now discussing, the national economic development board, is to be under the direction of the Minister of Finance. The Atlantic development board is to be under the direction of another minister not yet named, but most likely the Minister of National Revenue. The advisory council on industrial change and manpower adjustment is under the Minister of Labour and the national productivity council is under the Minister of Trade and Commerce. Each of these bodies has jobs that mesh together with the tasks of every other one. But each one of these four bodies is under the direction of a different minister, and is composed of different people, every one of whom is to do the work in his spare minutes away from a busy executive life in industry, labour or agriculture.

You have only to read the bills and acts to see the extent to which the jobs of these various bodies are almost exactly the same. The advisory council on industrial change and manpower adjustment has to be concerned with productivity, the same as the national productivity council; and the national economic development board will be talking nonsense unless it is concerned with the capital expenditures and the plans for economic development on the Atlantic seaboard. Yet, I repeat, every one of these boards is under a different minister, with different personnel, and all of them doing precisely the same job.

I submit it is an insult to the intelligence of the Canadian people, let alone the members of this parliament, to suggest they will be fooled by this kind of approach and that this is a serious way of tackling economic planning for Canada.

As I have said, everybody has been talking about planning and everybody is pointing his finger at the planning done in France. The Liberals even say it is their policy. But what is the planning program in France? It is about time this important subject be looked at with some knowledge as well as understanding of what is meant by the agencies that are required for the purpose.

What do the French do in the realm of planning? First, they have a commissariat général du plan, a general commissariat of planning, which has under it agencies such as the national productivity council, the regional Atlantic development board and the industrial change and manpower adjustment council, all of the agencies related to the total plan under the general commissariat.

The general commissariat has the duty of drawing up a plan, not merely of consulting, not merely of producing information, not merely of making surveys, but of drawing up a concrete plan for economic action in France and as they go along, according to the speeches and reports of M. Masse, who is the actual commissioner of planning in France, they consult the various councils and bodies that are related to the commissariat général du plan. They consult what they call the modernization commissions in order to see how each of the industries would fit in and what technological and automation changes must be made. They make that inquiry not only in general terms but in relation to the specific industries and the regional plans that may be needed. In other words, you have a central planning agency with power to consult other government agencies, with power to relate the work, to integrate the ideas and then come to the cabinet of France with an actual concrete plan of economic development and economic action.

Mr. Martineau: Mr. Speaker, would the hon. member permit a question? Will he tell the house whether this body has power of coercion over these various other bodies?

Mr. Lewis: No planning board that has ever been suggested in a democratic country has any power of coercion, and may I say, in all kindness to the minister, that the question shows his ignorance of the very subject which he introduced. In no western country has any one suggested that a board which is to propose plans to a government is itself to have any coercive powers. But the planning commission in France does have the—

Mr. Martineau: Mr. Speaker, I think the hon. member misunderstood my question. I did not imply that there was coercion, but I wanted the hon. member's opinion on that matter.

Mr. Lewis: I thank the minister for his interest in my opinion. It is that no board which is to present plans to a cabinet can or should have coercive power. Indeed, it has never been suggested by my party, or the C.C.F. which preceded it, that any planning board would have the authority to implement its plans. The implementation of the plans is the job of government, subject to the authority of parliament. No one in our party has ever suggested anything else. So I say, Mr. Speaker, that the question shows an ignorance of the matter. But what you must have is genuine planning, and not playing at checkers, moving little pieces on a checkerboard. The body given the authority to plan must have

the power to sit down and plan, and come to the cabinet with all the various elements of the economy having been taken into account, and not merely a survey and some kind of a report which is put in somebody's waste basket or on somebody's shelf.

Mr. Sevigny: Mr. Speaker, will the hon. member permit a question? Will the hon. member tell us whether he knows of one instance when a government appointed commission, or a body similar to the one which we are talking about and which is the object of the present debate, has ever instituted a law of its own. Can he tell the house whether he knows of one case when such a board has taken the law within its own hands?

Mr. Lewis: I must say, Mr. Speaker, that the question of the Associate Minister of National Defence, after the exchange between the Minister of Mines and Technical Surveys and myself, baffles me somewhat. How a member of the government, who could not follow a simple exchange of the sort that the Minister of Mines and Technical Surveys and I had, will be able to plan the economy of Canada, or take part in it, baffles me too. I have already said, and I say again, that no one in this party or in the C.C.F. ever suggested that a planning board would have the authority to make a law or a rule, or to implement the plans. No democratic socialist anywhere in the world has ever suggested that. We have always taken the position that the only way to maintain democracy is for planning boards to present their plans to government, which will be responsible for implementing them, subject to the authority of parliament. That is the way our kind of country functions, and we have a passionate belief in that democratic procedure and in representative and parliamentary government. Let no questioner here try to take me from that track, because he will not succeed.

I repeat that a board, if it is to do the job, must have the authority to plan and to come to the government with a blueprint of what is proposed, in which every section of the economy has been consulted and in which the affairs and interests of every part of the economy play a part.

In France—I come back to this, because so much reference has been made, by the Liberals especially, to that country—they have, as I am sure the Minister of Mines and Technical Surveys has seen, and if he has not I would invite him to look at it, what they call—

Mr. Martineau: I have, as a matter of fact.

Mr. Lewis: —input and output tables. They actually attempt to present a three-year—

Mr. Martineau: Four.

Mr. Lewis: —or four-year forecast of how their plan would affect each industry and every section of each industry in the country. That plan is the one that goes to the cabinet.

In our submission, however, for effective, useful and productive economic planning, more than merely the right agency is needed. In order for those plans to have any meaning there has to be a much larger share of public investment in the total investment of a country. One of the reasons why French planning has been successful is that about a third of all gross investment in that country has been public investment, investment from government funds. If you add to that those parts of the economy and those parts of French investment which are controlled directly or indirectly, as well as owned, by the government, then more than one half of the gross investment of France is under public guidance either direct or indirect.

Beyond that, it is of no purpose to make a plan for government to approve if there is not some integration of private planning with public planning; if there is not some integration of private activities in the economy with public activities in the economy. In France, therefore, as part of their total planning mechanism there are not only fiscal incentives to private industry to mesh in with the public plan, but there are actually penalties to industry which does not fit in with the public plan. There are, in addition, selective credit controls for the same purpose. If the Minister of Mines and Technical Surveys has studied the French plan he will recall that any medium term loan—that is, a loan for a period of no more than five years—is subject to control by the bank of France, which is publicly owned, through rediscounting of the notes, and they must consult with and get the permission of the commissariat général du plan for any loan over 1,000,000 francs, or roughly $200,000, for investment purposes.

When you deal with a long term loan for investment, involving a loan for a period of more than five years, then if it is for more than two million francs, I think it is—I am quoting this from memory; it is 2 or 2½ million francs, or about $500,000—they must consult with and get the direction of the general commission of planning in France. It is by these agencies of consultation, agencies of integration of private and public plans; it is by the penalties as well as incentives to private industry; it is by the guidance of private investment as well as public investment, and above all it is by the provision of public funds for investment purposes, that

any planning can really have meaning in a country and be more than, as I have said, a game. In a country like Canada one of the major needs for planning effectively is the power over location and relocation of industry.

That is what is given the commissariat—the commission for general planning—in France, subject to approval by the government. An examination of the functions of this commission will allay once and for all this wrong impression that the people engaged in planning in France are engaged in the type of free enterprise planning which this government and the official opposition intend. It might have been the case had the present President of France set up the machinery but he is not the one who created these agencies. They were there when he came to power.

As a matter of fact they still have price controls in France. I am not advocating this for Canada because I do not think that at the moment we need price controls, though I shall have something to say in a minute or two about administrative prices. In France they still have price controls on steel, aluminum, power, chemicals, automobiles and various other products, in addition, as I say, to great power respecting the location of industry. Nothing of this kind is even contemplated by the legislation before this house.

The commission in France like the various bodies which work under it, consists of a number of men and women all of whom are employed full time, giving their nights, I am sure, as well as their days to the work which needs to be done. Under the proposal now before us a group of sparetime men is to be asked to do this kind of work, and it cannot be done.

I suggest that what this perfunctory bow to the idea of planning in Canada means is a recognition, at least, that the market place is man-made, not divinely constituted. Over the years, as I have studied economics and listened to politicians I have been told about the law of supply and demand as if it were a law which had been handed down from Mount Sinai together with the ten commandments—together with some tablets by a deity. In the event, manipulation has so deliberately twisted and distorted the law of supply and demand that it has now been made meaningless. It has been distorted and twisted by the corporations through the medium of administrative prices, and the wants of the consumer have almost nothing to do—I say "almost nothing" because they have some influence—with the actual prices which are charged.

[Mr. Lewis.]

In Canada, of course, we have in addition a huge and growing degree of foreign control of our industry so that much of what is now part of the Canadian economy is not even in Canadian private hands, let alone subject to any effective direction by public agencies. I am sure hon. members all know of the growth of foreign ownership in Canada. I place these facts before the house at a time when we are considering the planning of mechanism required to deal with a problem of this sort. In 1954, foreign ownership in Canada represented 51 per cent of the total in manufacturing, petroleum, natural gas and mining. By 1957, foreign ownership had grown to 54 per cent. I use those three years as an example of three years under Liberal government. Then from 1957 to 1959, the last year for which figures are available, it grew from 54 per cent to 56 per cent. Every year foreign ownership has grown, whether under a Liberal or a Conservative government and despite speeches from both sides about the desirability of repatriating Canadian industry. If one talks in terms of indirect control, foreign influence grew in the same industries from 55 per cent in 1954 to 61 per cent in 1957 and to 63 per cent in 1959. Obviously, if one adds industries such as transport and public utilities which are mainly in Canadian hands, the percentage of the total economy owned or controlled by foreign investors would be considerably reduced. However, in those basic and important industries, namely, petroleum, natural gas and mining, foreign control has grown to an alarming extent and it continues to grow.

I have referred to the extraction and processing industries. If one turns to those services in our economy which are concerned with acquiring the savings of the Canadian people, the same alarming trend is to be noted. In 1961, nine fire and casualty companies—Canadian companies—were acquired by foreign interests. Since 1955, seven life insurance companies went to foreign ownership. So, today, out of 36 life insurance companies in Canada, 11 are foreign owned. I asked hon. members to think for a moment about the difficulty a spare time agency such as the proposed national economic development board would encounter in attempting to deal with a situation which the Prime Minister in 1957 and 1958 proclaimed as being just about the major problem which faces this country. Hon. members might well ask themselves how a body such as this could deal with this trend toward foreign ownership and control of large segments of our economy. How could it do the job that needs to be done?

The second thing this perfunctory bow to planning shows is a recognition of a principle which we in this party have been stating in Canada for decades, namely that the multiple decisions by irresponsible private corporations will not necessarily produce socially desirable results. It is necessary for the public well-being that the government should be responsible for decisions in order that they meet the needs of the Canadian people. Finally, it is recognition also that intervention by government in public planning is essential to the welfare of Canada.

I say, for the reasons I have given, that the kind of cocktail planning now proposed cannot possibly do the job. This is a first, faltering step. The people of Canada will probably accept it, as members of this house are forced to accept it, as a first, faltering step. But the people of Canada will not be fooled and we in this house are not being fooled into believing that this constitutes constructive planning in any real sense of the word. A planning board, I submit, must have the power to set a plan for a definite period of time. That period could be three, four or five years. It might be a continuing period or a period which would end when a new period began. By this I mean we could have a plan for five years, or six years, or four years and then, at the end of it, have another plan for four, five or six years. Alternatively, we could do as the French have done, intelligently, it seems to me, and have a four-year plan, for instance, which would be a continuing plan; that is to say, every year would be the first year of a four-year plan; the plan would be revised at the beginning of each year but alwoys for a four-year term as progress was made in thinking about the country's economy.

The planning commission must be able to do that over a period of years, otherwise I predict that such an agency would be tempted to find ways and means of patching up errors which had been made in the previous month, or the previous year. Instead of considering the economy as a whole and planning for its progress on a long term basis, it would merely say: we have a foreign exchange calamity, so perhaps we can solve it this way, or, we have this shortage of such and such tomorrow, perhaps we can solve it that way. And, of course, there would not be any planning at all. Planning must be concerned, second, with all the phases of the economy. It must be concerned with production in its over-all aspect, and with the location of industry in order to meet the regional needs. Third, it must have the authority to establish a rate of growth for each year in order to have full employment without inflation. That is the primary objective of economic planning. Fourth, it must have the authority to relate the size of investment for social capital to production by private industry. It must have authority to try to relate the expenditures and the production of social capital as against expenditures for conspicuous consumption, or, in other words, expenditures on hospitals and homes as against expenditures to produce status symbols, as they are now called by the sociologists. It must also have the authority to make plans with regard to our external trade as part and parcel of the total sphere of economic planning. Because planning with regard to production has no meaning unless it is related to our exports and to our imports. Unless there is some effective, constructive and positive way in which external trade is integrated with the domestic economy, in which external demand is integrated with domestic demand, and our relationship to the balance of payments and balance of trade is likewise integrated with investment and production at home, economic planning would often be self-defeating.

Mr. Speaker, let me pause there to say that only with that kind of planning can you find the solution to the crippling increase of foreign control over the Canadian economy.

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

Mr. Lewis: Well, I do not know whether I should. I have not many minutes left.

Mr. Martineau: Would the hon. member tell the house whether the implementation of planning boards such as he has suggested can be made without the imposition of state controls and various other measures?

Mr. Lewis: The minister is using what teachers of language call evocative language. He thinks that if he says "state control" he will bring down some kind of frightening ghost which will put fear into the hearts not of his colleagues or of hon. members opposite, but of the people to whom he intends to appeal for votes.

Mr. Martineau: Just answer the question.

Mr. Lewis: Let me say to the minister that it is not possible to have any kind of law without the people of the country obeying that law. Every time the minister proposes any legislation he necessarily proposes sanctions to impose that legislation—except that he does it for bad legislation and I am suggesting that it be done for good legislation. But, Mr. Speaker, there is an element of some relevance in the minister's question and his question gives me the opportunity to deal with the point.

National Economic Development Board

You must find ways and means in a democratic nation to make the planning sequence and the planning activity as democratic as humanly possible. For that purpose we have proposed over and over again that the central planning board should have at its hand a consultative council representative of every element in the country—business, labour, agriculture, co-operatives, consumers, and all other segments of the people of Canada and every other economic interest. Furthermore, it should not merely be representative in the sense that the government appoints the people who it thinks should represent others, but representative in the sense that the organizations of labour, agriculture, consumers and co-operatives themselves nominate the people they want on the consultative council. In this way there will be genuine voices from the various segments of the Canadian people participating in the planning activity and in the final conclusions which the planning board will arrive at.

In addition to that, it has always been my concept of planning as we have proposed it, which concept I am sure is shared by my leader and every other colleague in my party, as well as every member of my party across the country, that the planning agency would in every day of its work be consulting with the various elements of the Canadian economy—industry, finance, labour and agriculture—not only at formal meetings of the consultative council, but as a necessary and integral part of its day-to-day activities. Because we who have studied history have learned that no law passed in a democratic country can possibly be successful and effective merely by coercion. It can only be an effective and good law if it has the consent of the people. That is why this consultative machinery is necessary. It is not in order to be able to answer supposedly needling questions such as the minister asked a moment ago, but is intended as a genuine contribution to the machinery of planning and to the democratic work of that machinery. May I add, as I have been reminded, that there is nothing in the legislation now before the house that suggests a consultative council of the kind I have described, where the organizations concerned will themselves nominate and appoint the people who will represent them on that council.

Mr. Speaker, I was saying that the only way to deal with the growing threat of foreign control of Canada's economy is by the kind of planning we are suggesting. Because only if you have a national development fund, a source for public investment, can you carry on the kind of activity which will generate Canadian capital for investment purposes, instead of our economic development requiring the capital of investors from outside the country, as has been the case in the past. It is my conviction that while there may always be need for foreign investment in Canada, while it is wrong ever to close the doors to foreign investment, Canada's economy has advanced sufficiently far and the Canadian people have reached a sufficient understanding of what economic matters mean, that we can generate in Canada the capital required for planned Canadian production, and therefore would have no need for the foreign investment which has taken place in the past and which has been such a drain on the foreign exchange of our country.

When the kind of planning which I am discussing is proposed, another thing which people often throw at us is that we would take away the choice of the consumer. Again that makes me chortle. What choice has the consumer in modern society, particularly in modern North American society? Production no longer takes place as a result of the choice of the consumer. Millions of dollars are spent to create demand for things which people do not need, not to produce things which people do need. For example, you sit in your car and listen to the radio. At one moment one company is advertising one kind of toothpaste, and then another kind of toothpaste is said to be better than the one just advertised, and you find that it is the same company advertising it. So that money is spent by that company in order to compete with itself.

Mr. Douglas: It may be the same toothpaste.

Mr. Lewis: Yes, it may be the same toothpaste, probably not more useful than the other. But all this money is being spent and is added to the price that the consumer must pay in response to the choice of the consumer? Fiddlesticks, Mr. Speaker. It is in response to the greedy grabbing for profits by the corporation which thinks it can make a little more out of toothpaste B than out of toothpaste A, even though it manufactures both, and which, as I have learned in my professional capacity, is produced very frequently on the same assembly line in the same plant.

No, Mr. Speaker, all these things are shibboleths which blind man's mind in our North American society, and which prevent the reasonable, the logical, the sensible and the practical measures to make our economy function in the interests of the Canadian people and in the interests of hungry and needy people the world over. We throw down the words "state control" and close our minds. We throw down the word "planning" and close our minds. We talk about consumers' choice and close our minds. We talk about state interference and close our minds. All the time our economy produces unemployment.

All the time our economy falls into the hands of foreign investors. All the time we lose more and more of our values. All the time our marketplace begins to control the Canadian mind, the Canadian spirit and the Canadian view. I appeal to hon. members to drop these shibboleths and these evocative words and to look at the modern economy with the analytical minds which I am sure they possess and in the scientific way required by modern society. Unless we do so, the challenge of totalitarians from the right or from the left will be difficult to meet and this country, like other countries, will face much more serious problems than those we face today.

Like other members of this house I may be forced to vote for second reading because a small faltering step may be better than nothing. I do it, I hope, as a responsible member representing a section of the Canadian people and I would not wish to stand in the way even of this kind of small step that may help the present government to make fewer mistakes. I am sure it will not help it to do better things but it may help it to make fewer mistakes. I wish to emphasize the fact that, as far as we are concerned, this is not planning in any sensible sense. As I think I have said twice already, this kind of cocktail planning is merely an indication that hon. members at last understand that something needs to be done, but there is not yet any indication that this government understands what it is that needs to be done.

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, whenever a piece of legislation of the importance and the significance of that now before the house comes to the attention of hon. members there is always a tendency to look at it in terms of its ability to solve all the problems besetting the Canadian economy at the present time. This is particularly true of parties or individuals with a doctrinaire approach to economic matters. While it is true that the government believes the national development board contemplated by this legislation is a far reaching and important step in ensuring the continuing progress of the Canadian economy, we do not regard it as the universal solvent of all our difficulties. Rather we regard it merely as a continuation of the program that has been under way ever since this government took office in 1957. This is not the beginning of a new era. This is the continuation of a program that has been gradually unfolding under the leadership of the Conservative government.

Having said that, Mr. Speaker, let me congratulate the Minister of Finance on bringing forward this legislation. Let me also remind the house that he is not a new convert to this kind of planning. As I listen to debates in the House of Commons I find that it is rather helpful to have a bit of historical perspective. I have been here since 1951 and sometimes I find there is a tendency for memories to be conveniently short. Without an historical perspective it is impossible to put the changing state of the nation into the right perspective. I recall that the Minister of Finance, when he was a member of the opposition, advocated just such a board as that which he is now proposing as a minister of the crown. I can recall back in those days members of the opposition at that time recommending that there should be a planning board to carry out a closer co-ordination and co-operation between the various sectors of the Canadian economy, and the government of the day turning down the suggestion because, as we used to hear so frequently, all was for the best in the best of all possible worlds.

Let me repeat that what has been going on is a continuation of the five year plan launched by the administration back in 1957. Change in that respect was long overdue since we had gotten into a rut in our attitude towards economic affairs in Canada as typified by the former administration in its attitude towards change in the agriculture industry, for example. I can remember the then minister of agriculture saying that while there was distress in the agriculture economy, it was just a passing phase and that eventually it would work itself out. As a matter of fact, I became a member of the House of Commons in 1951 as a result of the agriculture protest of that period. Then in the realm of industrial development there was almost absolute rigidity and indifference to problems. We were geared to a wartime economy. Industry was concentrated in a small area of Canada. It was outmoded and uncompetitive because it had its great period of expansion during the uneconomic circumstances of a wartime economy and we were failing to gear up to reality in that regard.

I came here from the field of education and I can remember trying to introduce in this house the subject of the crisis in education and being almost faced with a situation where the discussion was prevented because, under the constitution, education came under the jurisdiction of the provinces. It was not until 1957 we realized that we had a crisis in education when sputnik went into orbit. I do not mention 1957 for partisan or political

reasons. It is just coincidental perhaps that the Conservative government came into power in 1957.

An hon. Member: And fortunate.

Mr. Dinsdale: Yes, and fortunate. It was not until sputnik went into orbit that we all acknowledged that we had a crisis in education. Since that time the new administration has been endeavouring to make up for lost time, for the years that the locusts had eaten. We have been advancing the program of technological training through the rapid expansion of technical schools. We have increased aid to education all along the line. I could spend some time in reviewing the inertia of the past. However, what I wish to do is to trace as briefly as possible the steps which have been taken to make up for lost time. I am going to concentrate on my own area of interest, namely the field of national resources and outline what has been done. The program should be clear to all members of the house; but as I have listened to comments and speeches I have come to the conclusion that even though the evidence is available there are a few blind eyes and a few deaf ears in this house, and there are none so blind as those who refuse to see and none so deaf as those who refuse to hear.

Planning has been under way on the part of the government in the resource base field in the areas of both non-renewable and renewable resources, and it is quite appropriate that planning should have begun in this sector of the Canadian economy because this is typical Conservative philosophy. National development has always had a resource base whenever a Conservative administration has been in power. I am free to admit that in this regard northern development has perhaps caught the imagination of the public more than other resource areas, largely because this is a field that was so sadly neglected by previous federal administrations.

I have noticed in recent days that the leader of the Social Credit group, the hon. member for Red Deer (Mr. Thompson), has been telling us that we should launch a vigorous program of northern development. I am happy to assure him that such a program was launched back in the year 1957 and has been moving forward since that time. He points particularly to transportation needs and the possible usefulness of the hovercraft, this new transportation vehicle. Again I am glad to assure him that we shall be having a trial run of a hovercraft early this spring and, if possible, we will arrange to take him along on the first trip. I agree that this vehicle has a tremendous potential so far as the overcoming of the transportation problems of the north is concerned.

It was inevitable that we had to plan very carefully in the resource field because the resources belong to the provinces. The Minister of Northern Affairs and National Resources has to work in a very sensitive area in devising national resource development policies. It can only be done by the closest possible co-operation and co-ordination with the provincial governments. I should like to suggest that we have been reasonably successful in this regard.

If I may speak about conferences and co-operation for a moment, I would point out that we called a conference on renewable resources which was held over a year ago in the city of Montreal. We did so because we realized the problems of getting the provinces and the federal government together. This is resource planning of a basic kind, and all the 700 Canadians who took part in that historic resources for tomorrow conference went home feeling that something significant had been accomplished there.

What has emerged in concrete terms from the conference? I am going to mention one example which in terms of planning and in terms of government organization is of fundamental importance. We now have a resource ministers council. This has been announced in the press but apparently it has not sunk deeply into the consciousness of members of the house. This resource ministers council is made up of a representative from each of the provincial governments and representatives from the federal government, all of whom occupy co-equal position on the council. At the present time the council is venturing into a new era of intergovernmental co-operation. It is organizing a secretariat that will be responsible to both the federal authority and the provincial authorities. This secretariat will be completely bilingual.

This is just one development. I could mention others that have emerged from planning in the renewable resource field launched by the government back in 1957 if there were time to do so this afternoon. One of the first matters we had to tackle was the question of the special problems in the different regions of Canada. In the resource area we have given close attention to the problems of the Atlantic provinces as well as those of the prairie region because in those areas economic difficulty in the resource field was most pronounced. This again, I say, is basic Conservative policy because we believe in providing equal opportunities for all parts of Canada and for all groups in Canada.

To mention one example of this kind of planning in the Atlantic provinces area, I would refer to the Atlantic Provinces Power

Development Act which has had such a significant impact on that part of the Canadian economy. I would also refer to our national policy for agriculture. After all, agriculture is a basic renewable resource, and a most significant addition was made to our legislation a year ago when the house approved the Agricultural Rehabilitation and Development Act.

I am dealing only with my own department at the moment, but I would emphasize that there has been other planning over the past five years. What is contemplated now is a further step forward because we have arrived at the point in the Canadian economy where we must secure the co-operation of the private sector of the economy. In a day and age when society was less complex it was easier to have this sort of co-operation on an informal basis, but I fully anticipate that the national economic development board which will be organized when this legislation is approved by the house will make it possible to bring in representatives from the various private sectors of the economy who will work more closely with the government programs that have already been launched.

I submit that this is a further step forward in the sort of development that has been taking place in the past five years. It is not unlike the kind of planning that has been going on in Europe since the war. This fact was established by the members of the productivity council when they visited Europe recently to study the kinds of economic planning going on there. In Sweden and the other European countries they found, that planning is not rigid and authoritarian but rather provides for encouragement of the spirit of co-operation and co-ordination in the various sectors of their economies.

Mr. Speaker: In the spirit of co-operation I will now say that it is five o'clock, the time appointed for the consideration of private members' business, being notices of motions as they appear on page 24 of today's order paper.

INDUSTRY

REQUEST FOR COUNCIL TO LOCATE INDUSTRY ACCORDING TO REGIONAL SUITABILITY

Mr. Arnold Peters (Timiskaming) moved:

That, in the opinion of this house, it is expedient to establish a national location of industry council for the purpose of directing new industry into those regions of the country which are dependant on a narrow industrial base and those which are areas of surplus manpower; and

That the national location of industry council, in co-operation with the monetary and fiscal authorities, be empowered to offer incentives to attract new industry to such regions when requested by provincial and municipal governments.

He said: I am sure that hon. members will see a similarity between the purpose of this resolution and some of the speeches that have recently been made on a number of other items of government legislation. If the recommendations of hon. members of parliament were put into effect and carried with them the benefits that are sometimes outlined by speakers discussing legislation, then probably it would be possible for me to withdraw this resolution. However, Mr. Speaker, in moving this resolution I wish to say nothing has yet been accomplished that would indicate to me legislation is not necessary to assist industry move into areas which now have little or no industry.

One of the reasons I am interested in looking at legislation in European countries, and particularly that of Great Britain which we are apt to follow, is to try and find some solutions for problems that we ourselves have not been able to solve.

I come from northern Ontario where the problem of lack of industry is very acute. In that area we have dozens and dozens of towns built around two basic industries that were the backbone of the country's economy until the last few years, and now we see secondary industry in other areas rapidly approaching its sphere of supremacy and growth. Seeing secondary industry grow, and looking at the two basic industries which provided the initial spur to the economy of many parts of the country, we realize something must be done for the municipalities which grew out of those basic industries.

The two industries are not alike. The basic development occurred through the forest industry, which is a renewable industry. I believe that fifty or a hundred years ago, had we looked how people in Sweden, Norway and other countries in Europe utilized their natural resources in the forest industry, it would not be necessary for me to ask for assistance on behalf of the people in forest towns and people in the pulp and paper industry, in terms of locating secondary industry in their areas. However the fact is that very little has been done to renew the renewable resources of our country, particularly forestry, which is very nearly in the same position as the mining industry, which is based on a non-renewable resource.

When conducting negotiations a number of years ago with a company that had been in the lumber industry in one area for 45 years, I was surprised to find the company could not go back to the first cuts it had made 45 years ago and find itself in the position of getting timber off those limits in order to continue the cycle of its operations. I think

the company manager was surprised I did not know this, but he informed me it would be 90 years before the company could cut any timber of commercial value off the limits it had been living on for 45 years. We have not done anything about this, and of course we have not been able to do anything about industries based on non-renewable resources, such as the mining industry.

Many towns grew up because of the discovery of minerals. People established municipalities throughout northern Canada and the people in those municipalities knew they were living off a non-renewable resource. But, Mr. Speaker, they had the right to expect that eventually the government of Canada would show interest in their particular problem in the same manner as governments in other parts of the world had faced up to it a long time previously and had solved it. I believe the present is the time for the federal government to give some leadership in this particular field, in which it has shown no interest and no particular aptitude, in order to develop the co-operation that is necessary if we are to solve the problem of the industrial growth of areas that were originally dependant on one basic industry.

It is true that in countries like Great Britain and the Scandinavian countries they have each one government that is responsible for the welfare of all the people, and their problem is not as complex as ours in Canada where we have the constitutional problem of federal and provincial jurisdiction. However, Mr. Speaker, surely that is not a problem that cannot be solved? Surely in the 100 years Canada has been a country we should have been able to come up with some of the solutions necessary to provide the initiative that would locate industry in the areas with which I am concerned.

The former speaker in the previous debate mentioned the fact that the federal government, provincial and municipal governments, industry and labour must all co-operate if anything worthwhile is to be accomplished, and I believe that is particularly true with regard to the location of secondary industry in those areas that are hard hit. I believe co-operation is more necessary than any other field of endeavour but it takes a strong and interested government to give the leadership that is necessary because private enterprise, which says the profit motive is the backbone of its system, is not going to develop industry in northern Ontario.

It might be a surprise for hon. members to visit a town like Matachewan, where at one time there were two major good producers, which had a population of 2,000 to 3,000, which had its own jail, its own hotels, its own schools, churches, sidewalks and water supply, and to find that as of the first of this year it has gone back to the state of being an unorganized township and was actually given the assistance of the provincial government of Ontario to get back into that position. I do not think we will get much co-operation from the province of Ontario when it believes all we should do is return these municipalities to an unorganized state where the province provides public welfare to take care of the people. The people of Matachewan do not want to be taken care of in that way. They want to take care of themselves. They have a pioneering spirit and all they want are jobs so that they can continue to build their town.

This problem has to be looked at in terms of Toronto because it seems to me that we in northern Ontario, and people in other parts of Canada, are being vastly penalized because we have allowed metropolitan industrial complexes to develop as they have been developing. In Toronto there are industries employing 300 or 400 people that are a liability to the city. They are taxing its water supply, its transportation facilities and housing facilities. The rest of the taxpayers of Canada are continually being asked for grants to help Toronto, and other cities like it, with their transportation systems and their National Housing Act schemes, their education and other things that are necessary in such terrifically expanding communities, but at the same time the people of Matachewan are being carried on welfare because they have not got jobs. A small factory employing 300 or 400 employees in Matachewan would elevate the town to its proper status and put it in the position of paying its own way and carrying its own burdens.

It seems to me, Mr. Speaker, that Canada will never be a great country until we are willing to help all the people in this country to equate themselves on the basis of a general and equal standard of living. It is not good enough to build up one part of the economy, because of the free enterprise system, not because of the people who live in those cities. I am quite sure they are unhappy with the fact that it takes them two or three hours to go downtown, the same as people in other cities; but it is up to us in the federal parliament to see that assistance and direction are given to those companies wishing to locate in Canada and we should assist them to locate in areas where the most good will accrue.

This has been done in Great Britain. There is the instance where Ford wanted to build an addition to a very large enterprise they had near Coventry. The British government said, "No, we will not give you a permit to

build there. We want you to build in an area where there is a surplus of labour. We will give you certain assistance if you will do that." The free enterprise system works there too, I think, because Ford said they would not build the extension of their factory where it was wanted. But if hon. members will check they will find that Ford subsequently changed their mind and are now doing that. There has been persuasion on the part of the government to see that industry has located in those areas where there is a high concentration of consumers to take a large quantity of the production of a particular factory.

This can be done, with the assistance of the federal government, through the agencies that we now have. I am always shocked, Mr. Speaker, when I discuss this matter with people wishing to establish industries in northern Ontario, by the very limited assistance they have received from the industrial development bank, which is under the control of this house. Yet in Great Britain and other countries, when the location of industry acts were passed, they made available sums of money that could be loaned to industries wishing to establish in particular areas. This has been tried, not only in Europe but in the province of Nova Scotia with some success, where they have established an estates act and have built a number of factories. I believe that an extension of the industrial development bank, in conjunction with the location of industry, would allow this to take place in northern Ontario.

I think that if we considered those areas where a surplus of manpower has developed, through no fault of the people themselves, where there is a large concentration of housing already available without any further federal expenditure, where the business community exists and transportation and other facilities that are necessary for an expanding community, we would see that the only thing that is needed is the direction of the federal government in locating industry in those areas, and the government would be hard pressed to find a reason for not assisting these particular industries.

I know that other hon. members wish to speak on this matter. When other hon. members speak in connection with the establishment of a national location of industry council—or call it some other name, if you wish—the fact that we do wish to direct industry into those areas where through no fault of the community the basic industry has died, or where automation or urbanization have taken place and eliminated the basic employment industry of the people themselves, I will be very surprised if this resolution does not suffer the same fate as other resolutions and bills put before this house, which have been loved to death. If hon. members support this idea and this principle I hope it will receive some consideration now because, Mr. Speaker, the question is of prime importance to the people of northern Ontario. In Kirkland Lake this year another mine or two will close in the gold mining industry. This is true in all other mining communities, particularly the gold and silver mining communities, where mines are being depleted, with no assistance and no recourse to the development of secondary industry being available to the municipalities which are so desperately looking for assistance in this regard. While in the town of Kirkland Lake a new mine has been found, which will alleviate the serious problem that has been facing these people for many years, the problem is by no means solved because that mine also is a non-renewable resource. If hon. members wish to support the relocation of industry and the establishment of a national location of industry council, with government financial assistance, I hope they will make it possible for a vote to be held on this very important question so that this measure can be added to the government legislation that has already been advertised throughout the country as being aimed in the general direction that I believe the establishment of a national location of industry council is aimed.

Mr. A. J. MacEachen (Inverness-Richmond): Mr. Speaker, the resolution moved by the hon. member for Timiskaming (Mr. Peters) has brought once again to the attention of the house one of the major economic problems facing this country. Notwithstanding the action being taken in the current session in setting up various new agencies in the economic field, none of these agencies is equipped or designed to deal with the important problem that this resolution brings to our attention.

It is an obvious fact that there are certain areas in Canada which are suffering from chronic and persistent unemployment. The resolution refers to these areas as surplus manpower areas. These areas have their problems reduced in a period of prosperity because the employment level rises somewhat, but the problems are aggravated in a period of recession. The hon. member who has resumed his seat has referred to the disappearing communities, or disappearing employment opportunities in certain parts of Ontario because of technological changes, changes in consumer demand and other influences. It is a fact that certain communities in all parts of Canada are faced with

this particular problem. I personally believe that there is a national responsibility and that a national agency should apply remedies to all areas of Canada, not only the Atlantic provinces but all areas which are facing this particular difficulty. While I welcomed the concept behind the Atlantic provinces development board, it would be my preference that economic problems be handled on a national basis with techniques and tools applied to localities no matter where they are located in Canada.

The hon. member has referred, of course—and correctly—to experience in the United Kingdom and the United States in dealing with problems of depressed areas or areas of chronic and persistent unemployment. One of the first things that President Kennedy did, something for which he fought very fiercely during his senate career, was to establish an area development agency to deal with the problem of depressed areas. One of the early reports defines the kind of area that we have in mind in this particular resolution; that is, a depressed area is typically a pocket of chronic unemployment which persists even during relatively prosperous times in the rest of the nation. It is especially hard hit in time of recession. When the current unemployment rate is over 6 per cent, the depressed area rate is over 10 per cent. It is a fact that one province in Canada in the period of highest unemployment in the winter months has an unemployment rate of between 16 and 20 per cent. There are various communities in the Atlantic provinces especially in Nova Scotia and New Brunswick which at certain periods of the year have between 10 and 20 per cent of their paid workers idle. This situation continues over a period of years, amounting to a permanent pool of unemployment.

Now we have to try, as a civilized community, to do something about putting new economic life into these depressed areas. We have taken the attitude as a party that we need a special agency within the federal government to deal with the problems of depressed areas. Whether such a body is called a national location of industry council or, as we have suggested, an area rehabilitation agency, is immaterial provided it is set up to do this job. The first thing such an agency has to do is designate the areas to which special assistance should be granted. That has not been done in this country. It has been done in the United States under their development plan and it is being done in the United Kingdom. Based on their unemployment experience, certain areas are known and designated as areas in need of special assistance.

We in this party believe there ought to be an agency set up which would first of all designate such areas and then be in a position to apply a variety of special aids in order to put new life and new economic activity into those communities. This is a problem which cannot be tackled or solved by private initiative. It cannot be solved by municipalities or by provinces. It requires the assistance of the federal authority.

Efforts in other countries have been much more than mere noble experiments. They have been highly successful. I have a report of the United Kingdom board of trade in which department the development programs there are administered. In reviewing the success of their policy, the following statement appears:

> There is no doubt that these powers taken together have had a considerable effect in creating employment in the areas needing it and in diverting industry from the areas which are short of labour. By the end of May, 1960, there were about 1,100 factories being administered by the managers of the corporations. These factories were built at a cost of £80 million (sterling) and are giving employment to just over 200,000 workers.

The Atlantic provinces economic council has made various forecasts as to the number of new jobs needed in the Atlantic provinces for the next ten years. A realistic estimate of jobs required in that region in the next ten years is about 200,000. If we could have 200,000 new jobs in that area in the next ten years we would reduce unemployment levels and solve the major problem facing that segment of our economy. It has been done in the United Kingdom. Maybe it is easier to do it there for various reasons, but by these means they have succeeded in producing the equivalent of the number of new jobs required to place the Atlantic economy in a balanced state.

My hon. friend the leader of the Liberal party set forth the policy on this subject for his followers in a speech made in the House of Commons in March of 1961. In calling for the establishment of an area rehabilitation agency and for the designation of depressed areas he referred to a number of techniques which ought to be followed in encouraging the location of new industries in such areas. One of these is a flexible fiscal policy adapted to the needs of such areas and designed either to develop primary resources or to establish new secondary manufacturing industries. In detailing the phases of this policy the leader of the Liberal party advocated, first of all, capital grants for development. These grants would be available not only to companies but also to municipalities which required services for new industries. We have advocated tax incentives such as temporary tax exemptions which

would apply not only to new industries moving in to depressed areas but to established industries which decided to expand and modernize their plant.

We have also advocated special consideration in a public works program for depressed areas. We have advocated special consideration for such areas in the winter works program and in the field of monetary policy, a matter which is directly mentioned in the resolution, we have, as a party, suggested that the industrial development bank be separated from the Bank of Canada and operated vigorously as a development agency. We believe that, given this greater freedom the industrial development bank would be able to provide more credit at a more favourable rate of interest in the depressed areas.

A great deal of attention has been given to the effect of national monetary policy on such areas. It has been suggested by people such as the present Minister of National Revenue (Mr. Flemming) that the monetary policy of the Bank of Canada should be applied differently in such areas. We in this party find it difficult to understand how this could be done efficiently. But we do believe that the problem of providing additional credit for such areas could be met by means of a refashioned industrial development bank. We believe no problem is more important or requires earlier attention than the one raised in this resolution, namely, the need to do something about the many communities in various parts of Canada which have a persistent and chronic rate of unemployment. The way to overcome chronic unemployment is to put new industries into these areas through a program such as we have outlined; to create a special agency; designate the areas, and then to use a variety of tools, including fiscal policy, monetary policy, and other techniques such as public works and winter works programs. This has been tried successfully in Europe, the United Kingdom and the United States. It has not been tried in Canada. No systematic or co-ordinated effort has yet been attempted in this country to deal with this particular problem. This is one of the items high on the agenda of a new Liberal government.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, I rise to oppose this suggestion because, in the first place, I think it is redundant in view of the many planning boards we already have. I am also opposed to it as another indication of the trend towards rank socialism. We have a choice—at least, I hope we have—in this generation of ours in Canada as to whether or not we are going to preserve our democratic way of life. The democratic way of life demands self-expression and control of our own destinies. Planning I do believe in, but not interference. That sounds contradictory of course; but planning is only bad in the extreme. What I am worried about is national planning which gets to the point where private industry and private enterprise has no position.

When I listen to my hon. friends on my right I am worried about this trend. Because they are never satisfied with any of the things which private enterprise or democracy has produced. One would think, to hear them speak one after the other, that you have only to put in some form of socialism to end all our troubles, to bring us the millenium. They point to such countries as Sweden, Switzerland, and other places where they have some socialistic institutions. I would be the first to say that some of these socialistic institutions have produced favourable results, but that is not the only way. I for one believe in our North American way of life. I think we have produced with private enterprise and the minimum of state interference and control the highest standard of living on our planet, and with the greatest freedom. I for one am willing to give up a certain amount of standard of living even if it means part of my freedom. As an individual I am not myself ready to give over to the government either the power completely to control my life or the responsibility. I think it is time that Canadians young and old, rich and poor, employed and unemployed, took a really good look at the trends to see whether there is not something they can do, both as individuals and collectively, to move forward to fuller employment and to a higher standard of living without giving up control of their own destiny.

With a multiplicity of boards, particularly when they are duplicating the services provided by boards already existing and those suggested on our agenda, we can have too much government. It is not long ago that I found it necessary to approach the cabinet of the great province of Alberta. There I found that instead of seeking more national control they suggested that we were already deeply involved in running the affairs of the provinces and they wished that we would withdraw. On the other hand, I found this a somewhat one-sided argument because they never suggested at any time that we withdraw financial support, and it seems that when you ask for financial support for anything you are going to have some degree of control. Overseeing planning, some people call it.

We already have a national productivity council. I am sure that if the national productivity council does its work and what is planned for it, the location of industry would be high on its list. In fact, I do not know what

other purpose the national productivity council would have but to give to indusry, to the provinces and to the necessary federal government departments the proper advice in regard to the location of our industries and the efficient distribution of our manpower. But I still think that the more we leave to private industry and private enterprise the better.

If immediately an area becomes low in employment the federal government steps in and injects into that district some uprooted industry, or creates some new industry, there will be a tendency for the people of that area to stay. Perhaps they may even be persuaded to pursue a way of life foreign to them. For instance, if a mine closes down, how are we to know that if a wool factory was established in the area the people would move from the mine into that wool factory? It seems to me that the main job of our productivity council is to look at the national product, to look at our international markets, and to see where we can encourage the industries which we have and the industries which are natural to any part of the country to improve their economic position; and I can see nothing wrong with attracting people who really want to work from one section of our country to another.

In northern Alberta today we are looking forward to one of the most spectacular developments in the production of oil from tar sand. If our productivity council takes a look at this great country, a country which I predict will one day be as rich as the Ruhr, and these entrepreneurs go in there and develop a new and tremendous industry, unemployed people, no matter where they are in Canada, will be encouraged to take their energies, their skills and faith into northern Alberta and help develop this tremendous industry. It cannot be exaggerated: 500 billion barrels of oil no longer locked in the sands but looking for markets and for production.

This is the sort of challenge which lies before us in Canada today. There is no running away from our problem. There is no seeking any government, national, provincial or municipal, to handle our affairs. We look to individual effort, faith and energy, and any planning board should do no more than to create the atmosphere in which private enterprise can thrive. I will not exaggerate my faith in private enterprise. It has brought us all that we have today, and I am sure that it will drive on to fresh and greater heights. It is not many months ago since we heard doom and gloom preached from one end of the country to the other. The opposition said that our finances were on the rocks. They said that we were no longer willing or able to lead this country to better times. Now they are going around the country apologizing for what they call a mild boom. Perhaps this is accidental. Perhaps they think this is due to planning boards. I do not. I do not think this boom is due to planning boards at all. I think it is due to the fact that we are an energetic nation as individuals—not as socialists, not even as left-wing Liberals. We in the Conservative party believe in free enterprise in the future of our country, and in co-operation between government departments. And even as one of our socialist speakers said this afternoon, we want no checkerboard and we want no duplication of planning. This group of ours here is the great planning board for Canada. It is up to us here to devise policies which suit everybody, and which look to individual effort. I think this planning board can do no more than to say what I have said in more specific terms and to lay out blueprints for that kind of development, so that it will come to you and say, "We want you to go to work on your own". However, I do not want any planning board in Canada to come to me and say, "Here, you will go to "A" and you will work at such and so". We must create an atmosphere in which I desire to go to "A" and to take my family, and to pioneer in the same way as did my grandfather and my parents. This opportunity I wish to pass on to my children and to their children's children. It may sound like old stuff but it is still good up in the country from which I come. Up there there is still a challenge for any young man or young woman or any group of young men or young women who wish to take a chance, as did my father and mother and my grandparents, to come up into the booming parts of our country and to develop there the free enterprise system which has made us the nation that we are today.

(Translation):

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, this motion of the member for Timiskaming (Mr. Peters) has to do with a matter of the highest importance for Canada, for the province of Quebec in particular, and for the Saguenay area, which I have the honour to represent here, together with three other members.

The setting up of a national location of industry council, which is proposed to us, would perhaps be necessary to decentralize our industry, and thus check the movement of our population towards the larger centres. That population movement causes serious problems in those cities whose population thus increases, and it causes also problems to parents who have to be separated from their children. That population movement causes disturbances both on the economic and social plans.

Of course, it is not as easy to decentralize industry as it may seem.

The responsibilities which this motion proposes to impart to board members could also be those of the economic development board which we discussed this afternoon. I do not think we can separate those matters at all.

We are discussing today Bill C-87, concerning the establishment of a national economic development board.

Well, I think that such a development board, together with the productivity council which has been in existence since last year, can undertake to consider those problems and bring about the necessary improvements.

I know, Mr. Speaker, that if we refer to the latest statistics concerning the employment situation, that is the December 15, 1962 report, we note that we have about 414,000 unemployed in Canada, 154,000 of whom are living in the province of Quebec, that is 37 per cent. The Saguenay area alone, Mr. Speaker, has about 15,000 unemployed at present, which is causing deep misgivings in our area.

The situation in the Saguenay area is the result of the fact that we have only two big industries, that of paper and that of aluminum, which are both affected by the situation prevailing on the international market.

Our area being somewhat remote from the larger centres, we find it difficult to attract industries which might hire the available labour.

Our region is rich in natural resources, namely hydraulic, mining and forest resources. It has tremendous possibilities.

We have waterways, very good roads and a railway, even though it is rather obsolete.

Of course, I am not the first one to rise in this house to ask for improved railway facilities between the larger centres and the Saguenay. This would surely make the Saguenay region more attractive to industrialists. But, in my opinion, as regards the motion now under discussion, one can see that the government could do its share so as to make an area even more attractive to industry.

I feel that the tax reductions which are being asked and suggested would prompt a company to set up in one place rather than in another. There is also the matter of accelerated depreciation for equipment.

There is another organization which should not be neglected. I refer to the industrial development bank, which, at the present time, provides loans to assist in the development of industry.

That bank could do much more than it is doing now. The government would have no great difficulty in finding borrowers who could go into those depressed areas to build plants, something which at the same time could improve the general situation.

But, at the present time, the industrial development bank is subject to exceedingly strict regulations.

Having met several industrialists in my area, I know it is not too easy to get help from that organization. The bank, whose loans bear a rather high rate of interest, requires guarantees to such an extent that an industrialist who is not already well established finds it practically impossible to obtain the funds needed for the development of his enterprise.

It is obvious that if the regulations of the industrial development bank were more flexible, more adapted to circumstances, many manufacturers in the various regions of the country could find there the source of capital their industries need, and thus help increase the local production and curtail unemployment.

The government would profit greatly by an improved situation, in view of the constant drain on its unemployment insurance and assistance funds.

I am sure that a reduction of the rate of the industrial development bank as well as a greater flexibility of its regulations, would be advantageous, because even if it would mean possible losses for the organization, these losses would be fully made up by the savings on disbursements for unemployment insurance or assistance or for any other project.

At all events, Mr. Speaker, I think that those projects would improve the situation. But that would surely take some time.

We are informed by the press that the Saguenay region and the Hamilton region which I think is represented by the Minister of Labour, were declared heavy manpower surplus areas during the month of December.

People wonder what this government can do and intends to do. As immediate measures, public works which the government can proceed with represent the only means to improve the situation, and that, as a palliative since they are temporary devices.

Several projects were suggested to the government by various hon. members in this

house. If the government would listen to them and co-operate, a good measure of improvement could be obtained in a very short time.

Of course, I know those are but provisional measures and that industrial development only may compensate and bring about stability which not only will last, but will go on improving, thus ensuring to the different areas of the country and of the province a normal development and jobs which will make it possible for the population to get what it needs.

I know that in so doing, the government is once again asked to set up boards and to impinge upon a field which, normally, should be reserved to the provinces. But we have come to the point where it is to be wondered whether the present economic situation in Canada is not the result of a concerted action, of a comprehensive over-all plan to force the provinces, the municipalities, in other words the citizens themselves, to crawl to Ottawa on their knees to beg favours.

I know that other provinces of Canada do not have to face such a serious problem, from the standpoint of unemployment, because they have probably benefited from what we could call a better understanding on the part of the federal government. For instance, Ontario is in a privileged situation. In fact, I think that if we compare its situation with that of the other provinces, we note a centralization of industry.

I do not know whether I can take the liberty of making the following remarks, but the national productivity council, which is a body set up by the government to promote production in manufactures and other related enterprises, is now composed of 25 members, the majority of whom are citizens of Ontario.

I would not like, at this stage, to criticize the attitude of the members of that board, but I think it is normal, after all, for people living in the same province, to understand better the problems of that particular province and to understand less those of the country as a whole.

I feel that such a situation must be brought to the attention of the other representatives we see in this house, because the Quebec members are being accused of complaining about discrimination. In my opinion, the representatives of the other provinces should study closely the membership of the various crown corporations and agencies which are in majority composed of citizens from Ontario. Consequently, it is no wonder that all measures put forward by the government are made up to fit the needs of the province of Ontario. And those measures are far from taking into account the needs of the eastern provinces, the maritime provinces in particular, which also suffer from that situation.

[Mr. Lessard (Lake St. John).]

Mr. Speaker, if provincial governments had greater freedom of action in the field of taxation, if they had their own revenues, I think that a good number of the problems facing the federal government would be solved. In fact, the provincial authorities could take those problems in charge themselves and solve them. But since they do not have the necessary revenues, they must constantly address themselves to the central government, and I think we are rendering a disservice to confederation and to good understanding in this country in forcing them to come regularly on a pilgrimage to Ottawa in order to obtain, piecemeal, those things to which they are entitled and which belong to them, as a result of the prerogatives which have been conferred to them under the agreement.

Of course, all those boards may have some good effects. They will probably limit certain freedoms, which are dear to us but, unfortunately, I think that, considering the ill-will of some, we are sometimes obliged to sacrifice those parts of our freedom, always hoping that someday we will be able to recapture them, in justice and in peace.

We therefore support this measure for the good that it may bring about.

(Text):

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, this is a very interesting and worthwhile resolution which has been placed before the house by the hon. member for Timiskaming (Mr. Peters). If we did not have a great many other proposals before the house dealing with the subject of planning and the manner of spreading our productivity and the rewards of that productivity equitably across the country the resolution might be welcomed more by the house at this time.

Mr. Speaker: Order. It now being six o'clock, the time appointed for the consideration of private member's business has expired and the house will revert to the business that was interrupted at five o'clock.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration of the motion of Mr. Nowlan for the second reading of Bill No. C-87, to provide for the establishment of a national economic development board.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Dinsdale: Mr. Speaker, when the house adjourned at five o'clock I was pointing out to hon. members that the economic development board act will be continuing a policy that was launched by this government when we first came into office in 1957. I had mentioned some specific examples of planning within government departments, and also inter-governmental planning as between the federal government and the provincial governments that have resulted in concrete benefits for Canada. This is particularly noticeable in the Atlantic region as well as in the prairie region.

Just to give an example of the impact that government programs and activities in the Atlantic area have had on the thinking of the people in that part of Canada I had a most interesting contact early in September with a group of Nova Scotians led by the provincial minister of resources, the Hon. Mr. Manson, who had come to Toronto to promote the advantages for people coming from Upper Canada to Nova Scotia in order to seize the economic activities that are available there at the present time. This is a complete reversal of the pessimistic attitude that used to prevail in this House of Commons. I can remember hearing hon. members from the maritimes crying at great length that all was lost, that they had been the neglected part of confederation and were without hope, but here in the citadel of Upper Canada this group of ambassadors from Nova Scotia were telling the good folk of Ontario that Nova Scotia was the land of promise for the future.

It certainly is a reversal of the thinking that was expressed in the Gordon commission report where, for example, one of the solutions for the continuing problems of the Atlantic region was a migration of maritimers from that part of Canada to the central part of Canada.

I am not going to go into any great detail on the attitude of the prairie region of Canada other than to say it is significant that both these areas which since the thirties —yes, you could even go back to the twenties and the 1910's—have been the areas of political protest in this country. Now they are no longer protesting. They have felt the beneficial impact of these carefully planned programs of this administration. Now we come to the next stage in the development program where it becomes necessary to get closer co-operation, as I indicated earlier this afternoon, between the private sector of the economy, between labour and management and the farmer and all the groups which make up the Canadian body politic. This has been one of the great areas of deficiency so far as implementing a national development program is concerned.

We have had to contend with regionalism. We have had conflict between groups, even between classes in this country, and now the time has come when we must think in terms of national development. This can only come about as the result of a greater consciousness of national purpose and national unity. I fully believe this legislation will make a major contribution in achieving this desirable objective.

Mr. Speaker, before concluding I would like to point out that the government recognizes the role it has to play in planning matters. We do not see ourselves as planning in the authoritarian sense or in the sense of governments where there is monolithic power controlled from the top. The government does have a specific role to play and I think this role has been demonstrated in the programs that we have already launched. As I see it, and as the government sees it, the function of government is to provide an economic climate that is favourable for development in all areas of the Canadian economy. Certainly this is true in regard to resource development. It involves fiscal and trade matters as well. My colleagues responsible for those matters will be outlining the role that a board of this kind can play in the policy areas of trade and finance. In the resource field we have been providing such an economic climate. We have been working with private industry to make available better transportation facilities and to provide the necessary conditions under which private enterprise can thrive. We have built railroads and roads and undertaken power development projects of rather large proportions because we believe adequate power is basic to an adequate development program. We have provided roads to resources of some 4,500 miles representing a total contribution on the part of the federal government of $75 million. We have built development roads north of the 60th parallel. When the program is completed these will represent an additional 2,000 miles of access roads. We have built airfields and airports. We will co-operate with private enterprise in the northern areas in assisting in the building of airfields that will bring into production the mineral resources that we now know are present in abundance in the north. We have brought into being complete modern communications facilities through radio service, as well as through modern telephonic microwave communications, both into the Yukon and the Northwest Territories.

This has not been haphazard; this has been a carefully worked out plan. Perhaps, Mr. Speaker, I might give the details of just one concrete example which is an ideal illustration of this sort of co-operation. I refer to the Pine Point railway which is now under way, which represents a capital investment of $20 million and which will bring into production the rich lead zinc deposit at Pine Point on Great Slave lake. Also, an additional $2 million investment will be necessary in connection with the townsite development. This will result in the annual shipment of 215,000 tons—this is a minimum figure—of lead zinc concentrates to the smelter at Trail, British Columbia. This will involve an additional expansion program of $16 million at the Cominco smelter and refinery at Trail. This has all been worked out carefully in the closest co-operation with the private company involved, and it has all sorts of ancillary benefits. There will be a saving of between $14 and $21 million on foreign exchange, which continues to be such a critical problem in Canada. It brings into production six million acres of rich agricultural land in the Peace river country. All in all it indicates what has been accomplished and what can be accomplished by governments and private enterprise working closely together.

In the area where the federal government has greatest responsibility, the territorial areas, where we still have direct control over the resources, we have gone even further in this sort of planning. I was interested in the remarks of the hon. member for Hamilton East (Mr. Munro) who participated in this debate at an earlier stage; in the pre-Christmas period, as a matter of fact. He referred to this kind of development as the "vision of the north and all that sort of nonsense". Well, Mr. Speaker, a statement of that kind indicates that the hon. member is not at all aware of what has taken place north of the 60th parallel in the recent past. There is, unfortunately, a bias toward this program on the part of hon. members of the official opposition and the remarks have been critical almost without exception.

I remember reading a eulogy in connection with the passing of Stefansson, who was one of the pioneers in the development of the Canadian north. Forty years ago he was telling Canadians that there was tremendous potential in this million and a half square miles of Canada, to which we had hardly given any attention whatsoever. We occupied it in a state of absentmindedness. This article eulogizing Stefansson indicated that he incurred the wrath of the Liberal government of the day because he named some of the islands in the Canadian archipelago after the Conservative leaders, Sir Robert Borden and Mr. Meighen. This brought Mr. Stefansson into disfavour and brought about this prejudice that seems to have persisted down to the present time. We have named further islands in the Canadian archipelago and we have seen to it that all people in Canada, all groups in Canada, men who have made outstanding contributions, regardless of their partisan affiliations, have been recognized in this respect.

Let me emphasize, Mr. Speaker, that as a result of this northern development program 125 million acres of land are now under permit in the remote parts of the Canadian Arctic. Further, as a result the first oil well was drilled at Melville island just a year ago at a cost of over $1 million, and the company that carried on this extraordinary pioneering feat was an all-Canadian company. In fact, the principals were young Canadians typical of the men who have done much of the initial work of exploration in this part of Canada. In other parts of the Canadian north five oil wells are being drilled this year, and next year it is anticipated that there will be at least three wells spudded in on Bathurst island, which is in the extreme, remote area of the Canadian Arctic. These are just a few examples of what has been accomplished by careful planning and close co-operation.

Another development in the Arctic circle is the discovery of a deposit of high grade iron ore in tremendous quantity. It is now being investigated by the Bechtel Corporation, which is carrying out a feasibility study. This offers great potential in the future. We are extending our research activities. Up until a few years ago we were dependant on foreign sources of information concerning the economic potential of our north. At the present time an Arctic research development coordinating centre is under construction in the Mackenzie delta. We are launching a program of grants to the universities, with the approval of parliament when parliament has an opportunity to consider the estimates of my department. This will provide $60,000 to various universities across Canada to assist in their research on subjects pertaining to the north. My colleague the Minister of Mines and Technical Surveys (Mr. Martineau), working in very close co-operation with my department, has launched a comprehensive survey and inventory mapping program to determine the resource potential of the north

Education has not been forgotten either. The educational program now stretches into the remote parts of Canada. This now offers an adequate educational program for all Canadian young people. There are educational facilities for at least 65 per cent of the Canadian young people in the north. By 1967 we

hope to have educational facilities extended to every Canadian regardless of where he or she is resident. These are tangible results of the program, Mr. Speaker.

I had intended to go on to discuss our plans for power development. We launched the Atlantic Provinces Power Development Act in 1958 to encourage the expansion of power resources in the Atlantic provinces in the interests of industrial development. Up to the present time under this act it is estimated that there has been a saving of $26 million, made possible by the first power grid system ever to be established in Canada. Savings due to the sharing of reserves and postponement of construction in Nova Scotia and New Brunswick have been estimated by competent engineers to amount to $26 million. Over the next 20 years, the present facilities and proposed power developments in both provinces will tend to reduce power costs from an average of ten mills to something like seven mills at today's costs. Based on this experience, we are now moving forward to consider the feasibility of a national power grid which would make it possible to exploit the riches of our power resources, particularly in the northern parts of Canada.

To sum up, this act then is another step forward. This is not something which has suddenly been conceived as a solution to all our problems. The proposal to establish this board is part of a continuous and developing program which was launched by this government as soon as it was given a mandate by the people. It is the response of this government to the almost revolutionary changes which have been taking place in Canada as well as in other parts of the world since the end of the second world war. We rested on our laurels until the middle of the last decade—the decade of the fifties. There was very little attempt to bring in new policies to meet the changing situation.

In accordance with the traditional philosophy of the Conservative party we are bringing about changes on the basis of experience rather than expediency. The hon. member for York South criticizes the type of planning proposed as being inadequate. It was for that reason I mentioned in my opening remarks that we do not regard this as a solution to all the problems of this nation. Change is a continuing process. Governments and people must constantly adjust to the pressures of change. The only people who do not change are those who hold doctrinaire positions and who believe that once you have adopted a particular doctrine all your difficulties are solved. Once that policy has been adopted it has to be adhered to rigidly, whatever the consequences, because there is nowhere else to go. It is easy to simplify the problems which face Canada at the present time. The only simplicity which could resolve the problems which face Canada and the world today is the simplicity of monolithic unity and power and certainly we do not think in those terms in Canada.

My friends in the Liberal party advanced a slogan during the last campaign which they thought would appeal to the people of Canada. They said Canadians must take a stand for tomorrow. I should like to revise that slogan here tonight. I think the launching of this national economic development board justifies the alteration of that slogan. Tomorrow never comes. We believe we should be saying to the people of Canada: "Tomorrow must be faced today". That is just what we are doing in this legislation.

(Translation):

Mr. Gerard Legare (Rimouski): Mr. Speaker, the bill that comes back before the house today was studied for a few hours during the month of December. It is dated November 28, 1962, but the speech from the throne referred to it two months before that date.

I wonder whether the bill that I now have here is useful and necessary or if it is not. If it is, the government does not seem to consider it as very important, since it has been delaying its passing for four months.

In my opinion, a general election in the present circumstances would have a much better influence on our economy than the establishment of a new board.

If the houses had been dissolved after the debate on the speech from the throne and if an election had been ordered, we would now have a new government to manage the country, a government which would even have been in power for two months.

If our honourable friends opposite are so confident to have popular support, the support of the voters, I wonder why they always delay to go to the country, as the official opposition asks. Unfortunately, it is not so. We are still merely marking time, while our economy is stagnant and the number of unemployed is increasing by 100,000 every month.

After beating about the bush and hesitating for three long months, that is since the opening of this session, the government now submits a plan mentioned in the speech from

the throne, but in respect of which it hardly showed itself really willing to make any rapid progress—no more than for the other bills.

It is, indeed, the responsibility of the government to arrange legislation to be submitted to the house in such order that the more important bills are considered first.

As I read in *Le Devoir* last December, in an item signed Fernand Bourret:

> The government is chiefly responsible. It is up to the government to take action with regard to legislation. If no important legislation has as yet been submitted to the House of Commons, such as would, in time, remedy the economic and financial plight in which Canada finds itself, the fault does not lie with the opposition parties.

Now that we have been sitting for almost four months, this revolutionary formula which, according to the government, will bring about the recovery of our economy is at last submitted to the house.

In the remarks he made when the resolution preceding the bill was introduced, the Minister of Finance (Mr. Nowlan) made some disconcerting statements, several of which are even an admission of the government's inability. He stated, among other things, as may be seen on page 2073 of *Hansard:*

> The government is determined to stimulate the further expansion of our existing industries and to encourage even further the development in Canada of new and efficient industries.

And I repeat, he actually said:

> The government is determined—

It is easy to conclude that the Minister of Finance is fully aware that up to now the government has not done much in that field.

When the Minister of Northern Affairs and National Resources (Mr. Dinsdale) said this afternoon, at the beginning of his remarks, that the purpose of the bill now before the house was to continue implementing the government's policy formulated since 1957, I was wondering whether he had not dashed the hopes of the house and of all those who will read his remarks, because should the future be as black as the past years have been I do not know where the voters will be able to see any hope of seeing better day. May I quote the Minister of Finance who said in his speech:

> We shall attain that goal—

that is, the expansion of our economy—

> —by farsighted measures such as the one introduced by my colleague the Minister of Labour in undertaking research into the impact of automation and technological change.

The thing is clear: the minister had in mind a farsighted program of research. At the present time Canadians must bow to the austerity program, but in a few years, after the national economic development board has been in operation for some time we might perhaps nurture the hope that the situation will improve.

The statement of the Minister of Finance contradicts the words of the Prime Minister (Mr. Diefenbaker) who said in Ottawa, during the week end convention, that the next five years will be crucial for our economy. He was alluding to the bill now before us.

And now, the Minister of Finance tells us that this is a measure which will have long term effects, that is to say in several years.

On the other hand, we were told by the Prime Minister that the effect of the same measure will be to create jobs for a million persons and that it will improve the economy in the near future.

This is the most obvious contradiction as between two cabinet members I have ever heard.

But the statement by the Minister of Finance which astonished me most is the following:

> With the present set up of the house, we must show a new national conscience.

This means that, with the results of the last election, we must change our positions, listen more carefully to the official opposition, and accept the suggestions it put forward two or three years ago, that is to set up the board provided for in the bill now before us.

The Minister of Finance brought his remarks to a close with these words:

> We are not at all dissatisfied with the progress we are making.

He did not say: "We are satisfied, we are pleased, we have made some progress." He said:

> "We are not at all dissatisfied."

I have to admit I have never heard anything so negative as this sentence:

> "We are not at all dissatisfied."

I would be tempted to ask the Minister of Finance:—

Mr. Caouette: He is not here.

Mr. Legare: An hon. member says that the minister is not here. I know that the minister has had to attend some important business elsewhere and that is why he is not in the house right now.

Mr. Caouette: Is he gone to Rimouski county?

Mr. Legare: He says that he is not at all dissatisfied. I know that there are doubts in the

mind of the minister. His remarks show that the government regrets it did not act sooner. It is now facing a fact and it must also realize that the situation has somewhat worsened. It is becoming aware of the fact, somewhat tardily that it has not been able to keep up with the impetus given to our economy by the Liberal government until 1957.

Hon. members who have been in this house for a number of years remember the efficient men who were then managing the business of the country, and especially under the leadership of the Right Hon. Mr. St. Laurent, when the present Leader of the Opposition (Mr. Pearson), in his capacity as Secretary of State for External Affairs, built up for Canada a reputation which all the countries in the world looked upon with envy.

Thanks to the constructive and practical action taken by the Liberal government in 1957 Canada had acquired the reputation of being one of the greatest exporting powers in the world. But since this government has been in power, we have come down one step —and yet we can no longer retreat, retrograde—

Hon. Paul Martineau: (Minister of Mines and Technical Surveys): Mr. Speaker, would the hon. member allow me to ask him a question? In view of what he has just said, could he tell us whether he has taken cognizance of the statement made by President Kennedy, today, to the effect that Canada was enjoying the greatest economic stability among all industrial nations in the world?

Mr. Legare: Mr. Speaker, I know the hon. minister does not wish me to report statements made by outstanding personalities on what the present government has achieved in the international field in the last few years.

I was then saying that on account of the present government's policy, our country had come down a step, from the standpoint of exportation, and that we can no longer step backward, and that the visions of a prime minister are not adequate to ensure the progress of our economy.

I would add that the statements made by the leader of the official opposition has done more for the improvement of our international prestige, last week, on atomic weapons, than all the statements put together, made by all the members of the present cabinet on the same matter, in the last five years.

Mr. Gregoire: That is not what they say in Rimouski. They are not wanted in Rimouski.

Some hon. Members: They are trying to make Hitler live again.

An hon. Member: If you want to know, they will make Hitler live again.

Mr. Gregoire: They will know in Rimouski.

Mr. Legare: Mr. Speaker, on behalf of his colleague, the Minister of Finance, the Minister of Mines and Technical Surveys, who was asking me a question a moment ago, stated during the consideration of the bill, that the government wanted, by this legislation, "to obtain all possible information in order to step up our economic growth". If I understood well, he said "all possible information". But he never thought probably that his statement was in contradiction with the present policy of his government, which has much more prevented than promoted the statement of opinions coming from outside the house, and which even objected to evidence being given by certain persons.

I refer to the Coyne affair and to some legal advisers of the government who could not be heard before this house.

The minister added:

> This measure provides for the setting up of an advisory board whose main function will be to advise the government on projects and methods of expansion.

I would like to think the minister is sincere. If he is, indeed, sincere, he should see to it that this bill be amended so as to enable certain organizations to avail themselves of the services of experts, economists and specialists in the preparation of briefs or reports on certain areas.

When I am speaking of organizations, I mean, for instance, some chambers of commerce, or boards of trade, in less fortunate areas, and regional economic guidance councils, certain federations of the Catholic Farmers' Union, or some labour unions, or even some professional groups who have not the required means for making a survey in a given area, but, if given necessary assistance for obtaining expert services, might make some very worth-while suggestions to the government or to the proposed boards.

The government has already set up a board for the promotion of sport. It earmarked—at least it intended to earmark—an amount of $5 million to that end. Not even $2 million will be spent, but it had been announced all over the country, and more particularly during the last election, that $5 million would be spent for sport.

Well, if the government wants to spend $5 million for the promotion of sports, I trust it will agree to have a certain amount of money voted to promote the expression of various views through the channel of some organizations.

National Economic Development Board

While inviting experts to appear before it, that board should try to obtain the views of some groups on the means of improving the economy of such and such an area, of such and such a sector or field of activity.

The functions and responsibilities of that national economic development board are but vaguely described in the bill. This bill should, for instance, include a study of the present economic situation, some searching as to the causes for this slowing up in the last five years. The board should also consider whether we are making the best use of our resources, evaluate our efforts in the field of research, and determine whether industry and the various governments are spending enough money to that end.

The board should also decide whether our present taxation procedure could not be improved in order to make our export trade more competitive on world markets.

It should also check, if possible, the fiscal charges imposed on foreign industries by their respective governments, which industries are competing with us on world markets.

Under its terms of reference, the national economic development board should also be authorized to look into the possibility or the advantages of making available to our industries, especially the small and medium-sized industries, acknowledged experts in their own field.

The convertibility of certain industries to the manufacture of goods that are more in demand and actually saleable, should be suggested and promoted.

The board could also try to ascertain how many new dwellings should be built each year.

Is this to be 50,000, 100,000 or 150,000? I feel the government should have this information.

The board should also be authorized to study the fluctuations of our economy over the last 10 or 15 years, to assess the causes of those variations, to set the annual rate of growth of our domestic production and to suggest means of maintaining it.

Many other duties could be assigned to the board. It could advise the government on the means of improving our service to exporters, of providing our industries with better means of coping with international competition, of making better use of the information available at the dominion bureau of statistics, of promoting the decentralization of industry and of studying the effect of immigration on our economy.

I know that a large number of immigrants represent a new wealth, on the cultural level for instance, but I have never been able to ascertain what was the true influence of immigration on our economy, and it seems to me that there should be a way to get an approximate figure, to reach the conclusion that immigration is a source of wealth, in this or that area.

According to the bill, Mr. Speaker, the board will have to report to parliament once a year. I think that the relevant section should be amended so that the reports would be made more frequently. In fact, if the government is satisfied with an annual report, parliament will find itself in the position in which it is now with regard to other crown corporations, in particular the Canadian Broadcasting Corporation, Trans-Canada Air Lines and the Canadian National Railways.

The government failed in its more or less well-advised efforts to create the climate necessary to the progress of our economy. That is the reason why we need a concerted effort today in order to get out of the situation where we find ourselves now.

Nobody can deny that it is possible to improve the present growth of our production. Nobody can deny that our standard of living can still be improved and nobody will deny either that the number of the unemployed is too high, but everyone will recognize surely that with more funds available we shall be in a better position to carry out our responsibilities in the world.

That is the reason why the official opposition supports this measure and hopes that the board will be established without delay so that we do not see a recurrence of what the government has done with ARDA and many of its other undertakings.

Mr. Speaker, I mentioned ARDA because it was discussed for two years before it was passed, and even if it has been in operation for several months, I know that the work in practical terms, has not progressed much.

In brief, to start the economy moving again while maintaining monetary stability, the Minister of Finance (Mr. Nowlan) must exert his influence on two different planes: on the one hand, he must develop investments and on the other, he must stimulate consumption and exports.

But our expansion and that fresh impetus to our economy must come about without the stability of prices being jeopardized.

Finally, Mr. Speaker, we do not have to worry too much about the impact of the

legislation now before us on our economy, because I hope that a Liberal government will be in power even before the board is in operation and a Liberal government will heed the suggestions made by the people in the way it has always responded to their wishes during its many terms of office.

One wonders—

Mr. Caouette: You have every reason to wonder.

Mr. Legare: —if the government has truly sought, during the past five years, formulas to sustain the impulse given to our economy by a Liberal administration. I cannot find any such formula.

What are those great projects the government has devised and launched?

It continued the construction of the trans-Canada highway which was the work of a Liberal government.

Mr. Caouette: That is the tax system.

Mr. Legare: It completed the construction of the trans-Canada pipeline, another Liberal project.

Mr. Caouette: C. D. Howe.

Mr. Legare: It completed the St. Lawrence seaway, another Liberal project.

Mr. Caouette: Chevrier.

Mr. Legare: And if I go down to the level of regions, I still see that it refused to step in and that it let the situation worsen.

In fact, in my riding, it failed to make a better use of the Mont Joli airport, in which a Liberal government had invested several million dollars.

In Rimouski, it failed to build grain silos, which had been requested from the government long before the member for Bellechasse (Mr. Dumont) rode this subject to death.

Mr. Gregoire: When did you ask for it?

Mr. Legare: At Trois Pistoles, there was a splendid opportunity to revive the economy by building a wharf which would have served the local trade, the local manufacturers who seek after the north shore market, and also which would have been useful for pilotage purposes.

And about pilotage, I regret the backward move of the government when they relocated the pilotage station from Father Point to the north shore, more particularly Les Escoumins. I believe that such a step will one day have nefarious consequences and I am afraid that we will have to deplore loss of life, if not heavy damage, at the present location of the station. And I make this statement after having consulted with experts in the field.

As a matter of fact, the old seamen, the experts with many years of experience in the field of pilotage are recommending the establishment of the pilot base on the south shore and I urge the government to reconsider the matter and to think about relocating it in Trois Pistoles, building a wharf which would not only serve the local trade, but also the needs of the pilot system. That, Mr. Speaker, is in one riding only. I could speak of neighbouring counties where no more work was done.

For instance, I could speak of the riding of Matane where harbour improvements and the construction of a landing strip have been promised for the past five years.

I could take the case of the neighbouring county to the west, the riding of Temiscouata, where the government promised to build a deep water harbour five years ago.

I could also speak of the county of Gaspe where the present government is committed to build a railroad line.

But I notice that the hon. member for Villeneuve (Mr. Caouette) would like me to speak about him. I will therefore say a word about the hon. member who has interrupted me on several occasions.

Actually, I was surprised to hear the hon. member speak on planning, and declare at least 20 times, on the radio, in the course of various lectures, or in this very house—

Mr. Caouette: When?

Mr. Legare: —that he is dead set against any type of planning, whether it comes from the top, the bottom, the right or the left. Did he realize that he was in direct contradiction with his leader who, during the debate on the measure, spoke for planning? I quote:

Mr. Caouette: Mr. Speaker, I rise on a question of privilege.

(Text):

Mr. Deputy Speaker: Order; I am sorry to interrupt the hon. member for Villeneuve, but I think that this is a matter for debate. It is something upon which he can take the floor in due course.

Mr. Caouette: I rise on a question of privilege. You put on the translation and you will understand in French.

National Economic Development Board

(Translation):

Mr. Speaker, when the hon. member for Rimouski pretends that I have said the opposite of what the leader of our group, the hon. member for Red Deer has declared, to the effect that we are not in favour of planning—

(Text):

Mr. Deputy Speaker: There was no contradiction by the member who had the floor of anything said by the hon. member for Villeneuve and for that reason I rose to my feet. The hon. member for Red Deer (Mr. Thompson) could rise and contradict any allegation that might be made on a point of privilege in respect of any statement he made himself outside of this house. It was for this reason I said there was no point of privilege. I pointed out that it was a matter of debate and that the hon. member for Villeneuve, in due course, could take the floor and argue the point.

Mr. Caouette: On the same question of privilege—

Some hon. Members: Order, order.

Mr. Caouette: I submit I was personally attacked.

Some hon. Members: No, no.

Mr. Caouette: I was personally attacked. I am not going to accept this.

(Translation):

Mr. Habel: Put on your beret.

Mr. Caouette: Mr. Habel and his beret. He is wearing one—if only there were something under it.

(Text):

Mr. Deputy Speaker: Order. I think the Speaker has the floor. I ruled that there was no point of privilege. I am satisfied that the hon. member for Villeneuve is capable of responding to any allegation made in respect of his own leader during the course of debate. I am sure he will do so in due course. In so far as personal privilege is concerned, I do not believe there is any point. The hon. member for Rimouski.

(Translation):

Mr. Legare: Mr. Speaker, I understand, from the remarks that I heard, that he was in favour of planning; but here is what his leader said in this house, as is reported on page 2082 of *Hansard*:

> Planning is in itself an excellent thing.

Mr. Gregoire: Planning of things and not planning of men.

Mr. Legare: What we have to do—and I refer my hon. friend for Lapointe to page 2082 where the member for Red Deer told us:

> Planning that permits people collectively to work together.

And further—

> This is the kind of planning that such an economic development board must do if it is going to accomplish anything positive for the country.

If the hon. member for Villeneuve is still of the opinion that he is against planning, he will probably have the opportunity to discuss the matter in other circumstances.

Now, if the hon. member, on the other hand, does not like me to find him in contradiction on that point, I shall do it on another one. Thus, when he stated in this house that we must give more attention to producing domestic consumption goods and that trade and exports must come next, he was then contradicting his leader, the hon. member for Red Deer, who just came back from a tour to find outlets for the country.

Mr. Speaker, let me quote only a few sentences from an article I should like to put on the record. That article was published in the Quebec paper *Le Soleil* on December 3, 1962, under the signature of Mr. Antoine Turgeon. I quote:

> Planning means to set up a very comprehensive plan or rather a series of plans to serve as guides for action in the economic life of a country, of a province, of a region. Planning is the act itself that can include a very complex chain of social and economic measures.

And further, the article says:

> The main role of economic planning is to eliminate unemployment as much as possible, to promote full employment and, all in all, to give the best social security that can be found. To reach that goal, the situation must be studied locally, in all the regions, experts must be consulted, put to work at reasonable salaries, the domestic markets, local, regional, national, must be studied.

In fact, that is exactly what the Liberal party has been suggesting to the government for the last three years, that is since the economic situation began to deteriorate in our country.

And now, Mr. Speaker, I realize that my remarks have displeased my friends on the left, and I understand why. However, I would not like them to think that I will devote more time than I am allowed to correct the discrepancies and contradictions that may exist between the two leaders of that party, because I would need more than the 30 minutes I am allowed in this house.

(Text):

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, for the last 40 minutes or so we have been listening to a speech which has touched on almost every subject except one which normally should form the object of the present debate.

I think it is essential that we concentrate on the merits of the measure which is before the house because there is no doubt that the formation of this national economic development bureau will contribute as much to the prosperity of this nation as the various measures which have been adopted by this government since it took power in 1957 have contributed to the welfare of the Canadian nation. When we took office in 1957 the economy, far from being in a stable state, was menaced by the shadow of a serious recession which could have achieved the proportions of a depression if it had not been for the energetic action then adopted by those whose duty it was to plan the welfare of the economy of the Canadian people.

In those days members of the opposition would frequently tell us that the moneys we were spending would inevitably lead to an inflationary trend which would be disastrous for the wage earners of the nation. They would tell us that this money was spent in a futile fashion because it would not actually remedy the ills from which this nation was suffering, ills due to the maladministration of the previous government, and they would try through preachings of gloom and doom, of despair and distress, to create a climate of fear in the hearts and minds of the Canadian people, thus hoping through this fear to regain the power which they had lost because of their own inertia while they were in office.

A few moments ago we were listening to the hon. member for Rimouski (Mr. Legare) who, following the usual trend of his colleagues in his party, was saying that the economy has been at a standstill since 1957 and was stating that things could hardly be worse in Canada. He was referring to what he termed our declining exports and was even mentioning that at the present time nothing is being done and that therefore the Canadian people are worried because of the state of the economy. Where he got the information that could make him talk in that particular fashion is something which I do not know, but what I do know are the facts such as they are at present, and the facts are well described in tonight's paper, the Ottawa *Citizen*, which has never had a high reputation for having an undue love for the Conservative party. That newspaper states tonight on its front page that President Kennedy has said Canada's price stability is the best in the world. I quote the report as follows:

> President Kennedy estimated today Canada achieved the best record of price stability among all major industrial countries and that the United States is in second place in ability to crack an inflation psychosis.

This is the best answer to these prophets of gloom and doom who were stating in so many speeches all over the land that the policies of the government of which I have the honour to be a member would lead to inflation and would lead also to economic chaos in our industries. Now the hon. member for Rimouski, as well as other hon. members opposite, seem to take delight in trying to maintain that all that is being done by the government in the field of planning has led to negative results. Well, Mr. Speaker, it is because of the well planned actions of the Conservative government that today we can proudly say, together with John Meyer, the financial critic of the *Gazette*, that Canada has had its best business year since 1956. I now quote the article that Mr. John Meyer wrote as it appears in the annual review section of the Montreal *Gazette* of January 12, 1963:

> Canada has best business year since '56.
>
> Continuing expansion forecast through 1963 but sort of federal budget introduced is most pertinent economic question.
>
> The increase of 8 per cent in gross national production which took place during the year is the largest since 1956 and the fourth largest since the end of the second world war. It was accompanied by the first real improvement in productivity since the mid-fifties. There was, at the turn of the year, every indication that the economy would continue to expand although at a slower rate. A 5 per cent increase in gross national production was being projected with a continuing proportionate increase in productivity. It is possible, though, that the figure may be understated.
>
> Hardly more than three months ago, a turn-down of the business cycle through the first quarter was being freely forecast. It became apparent through the fourth quarter, however, that the economy was beginning to draw new impetus from the effects of devaluation and the import surcharges which followed, and from the series of fiscal measures which had been introduced earlier in the year by the federal government.

Mr. Speaker, this is the result of intelligent planning by intelligent men conscious of the necessity of serving the citizens of this country.

A moment ago we also heard the hon. member for Rimouski claiming that the export markets of Canada had been dwindling since the presence at the helm of this nation of the P.C. forces of Prime Minister Diefenbaker. Well, the facts are here to prove that, far from declining, our exports are up 30 per cent from the previous year, and a study of statistics will show that exports have increased by 16 per cent in the countries which are members of the common market, that they have increased by 36 per cent in Latin America, that they have increased by 38 per cent in the Far East and by even 90 per cent in countries behind the iron curtain. These are positive results which prove that hon. members opposite, when they claim the economy is going to the dogs are only, as always, trying to deceive the people into the

belief that under the helm of this government things have gone from bad to worse when actually the facts are that things have improved and are still improving.

Once again, after the election, we were faced with a very serious crisis which required economic planning of the highest order. We then most reluctantly took drastic measures which were absolutely essential in order to restore the fiscal balance of the affairs of the nation. Again, concerning what we did, Mr. Meyer has written this:

> The recovery from the crisis has been much swifter than expected. All of the measures taken to supplement reserves of foreign exchange have now been put aside except for the $300 million borrowed from the international monetary fund. The swiftness of recovery, in fact, now threatens to undo the lessons learned by encouraging a false sense of security which, in its way, can be just as damaging as was the earlier indifference.

It is exactly because we do not want to fall into a false sense of security that we are today introducing a bill to provide for a national economic development bureau which will group together the forces of finance, labour, industry, farming and of our university trained people who together, in a climate of respect and mutual understanding, will work in order to promote the greatness of this country and the welfare of the Canadian people.

(Translation):

Mr. Speaker, it would surely be ridiculous to rest on our laurels. We have accomplished a great deal. Thanks to the dynamic, imaginative and constructive action taken by members of the government to which I belong, we have succeeded in giving a fresh impetus to the Canadian economy toward the achievement of new records. We have succeeded in changing the threat of a disastrous recession caused by the inaction of the previous government into a period of unequalled prosperity in the history of our country.

Figures are there to prove it. Never before in the history of Canada have so many men earned so much money or have managed to save more money than at present. But we realize that when a record is attained, there is some danger that the economic situation will suffer a set-back. It is precisely because we want to avoid such a set-back that we are proposing the establishment of the national economic development board which will look into the Canadian economy from all points of view and attempt, through its vigilant action, to maintain prosperity at its present level and even to increase it if it is still possible.

Of course, this economic board must be based on the rules of free enterprise. It must not become, as my friends sitting on the extreme right are hoping for, a socialist planning board for, above all, we must keep the Canadian nation clear of that form of premature senility which socialism would be. My friends sitting on the extreme right are at least honest with themselves. As for my hon. friends opposite, they may see in this political formula an opportunity to win back the lost paradise, the power which they lost through their slackness on June 10, 1957. On the contrary, this economic development board must not be a merely governmental agency which, instead of helping private enterprise to lead the economy towards new records, leans towards socialism.

This board must be made up of free men, working in an atmosphere of freedom, who will take decisions which can assist those involved with the government. And so, we shall see the continuation of the prosperity brought about by the members of the Conservative party since June 10, 1957.

Mr. Speaker, it is of the utmost importance that the financial forces, on the one hand, and the labour forces on the other hand, find, thanks to this proposed economic board, a formula making way for a solution to the present problem of salaries which are so high in some industries that they compel industrialists to sell their products at prices beyond all competition.

For Canada, which can produce four times more than the demand of its 18 million inhabitants, it becomes necessary to go abroad for the markets which we need if we want to guarantee a continued productivity to our manufacturers, our industrialists and our farmers. We must go out in foreign markets and offer them products which can compare with those of our competitors at competitive prices.

This shall not be possible unless the forces of labour and those of capital get together. These two essential sectors of our Canadian economy must get together in an atmosphere of respect and mutual understanding so as to find, around a conference table, an answer to the problems which may be dividing them.

The proposed economic development board will allow us to find a formula, to find a solution to the problem between labour on the one hand, and capital on the other hand. And if this board can fulfil that purpose, it will not have been set up in vain and all should be satisfied.

This economic development board must be made up of men from all sectors of Canadian activity, even of men from all the political parties of the Canadian nation, so that all these men, working together, can find the ways and means to really improve the lot of this or that particular area which might, for some reason or other, find itself in a state of economical recession or of temporary depression.

The relocation of our industries is necessary. First of all, we have to determine the possibilities of developing our natural resources wherever they are. In order to do so, it is essential to find markets abroad, precisely in order to have the required consumption for that immense wealth which represents the production of our soil.

Thanks to the national economic development board, we should be able to increase the number of our secondary industries, because there is one thing which is not normal here in this country, and it is the fact that we should have to import too many finished products from abroad, which are being made with primary resources of our soil.

We must find a means of developing our secondary industries, or if you prefer, Mr. Speaker, we must find a means of transforming our primary resources into secondary industry products, which will be sold on our markets and exported on all export markets that we are trying to develop at present and that we shall keep on developing at a continually accelerated rate.

We must also consider—and that will be a function of the board—the necessity perhaps of moving industries which, at certain places, do not meet the needs of the people, thus being in an unfavourable situation, but which, elsewhere, might be able to find the necessary markets to insure their full productivity.

In order to do so, Mr. Speaker, it is absolutely necessary to obtain the full cooperation of the leaders of private enterprise, on the one hand, be it in the field of finance, in the field of industry, in the field of trade, in the field of education, or in the field of labour and, on the other hand, of the leaders of the government, who will continue, as we have always done, to accept the advice of those who wish to ensure the welfare of our Canadian nation.

And, Mr. Speaker, it seems to me that what I have just said sufficiently proves that it is essential to model our future actions on our past actions.

For the last five years, we have tried, thanks to our national productivity council, and to the continuous contacts we had with men from all spheres of Canadian activity, to find the formulas which would enable us to obtain the splendid success I mentioned earlier, which the *Gazette* of January 12 described in an article where it was pointed out that, from an economical point of view, Canada's best year since 1956 has been 1962.

We should also see that our Canadians earn and continue to earn more money thanks to an increased productivity, which will necessarily result from additional sales of our products abroad and thus justify, not only this year, but for the years to come, all those distinguished men, like the President of the United States, and others, saying that thanks to the action taken by this government, price stability in Canada has been, and still is, the best in the world.

Mr. Speaker, neither should, at any time, the truth be distorted, to satisfy political ambition. For almost five years, on the floor of the house or elsewhere, our friends opposite never stopped crying blue ruin and talking doom and gloom, thus constantly alarming the Canadian people by telling them that everything was going wrong and that they should bring back the old days, which, however, were rather sad days, as they, unfortunately, led this nation into that economic recession which threatened to become disastrous in the years 1956 and 1957.

This policy of trying to filch votes by wailing and speaking of doom and gloom is a fallacious policy, a policy misleading the Canadian people, a policy the sole aim of which is a political victory. But such victory, if it ever takes place, will certainly only have negative results, because it will not have been won by honourable means.

The necessary thing is that the opposition should play its part as such and try to enlighten the government and the people, rather than try to get votes by any means.

To say, as we heard earlier today, that since 1957, that is since the Conservative party came into power, things are going from bad to worse in this country, is simply a distortion of truth, a deliberate attempt to deceive the people.

Moreover, when anybody dares to tell in this house that Canadian exports have de-

clined and not increased, it is another misrepresentation of facts, as they are. To say that the Conservative government did nothing, is another attempt to mislead the people.

Those men in the opposition should state facts as they are and ask the people to decide if they would be better able to improve Canada's position, rather than deny what has been done.

Their behaviour may hardly be considered as honorable political behaviour.

Mr. Speaker, I think we, who are responsible for the public weal, should unanimously join those who are trying to set up this national economic development board, for, in this way, we shall accomplish a necessary task in the best interests of the Canadian people.

In addition, I feel that the members of the national economic development board would be well advised to study closely what has been done in this field in foreign countries.

(Text):

I close my remarks by suggesting that the men who staff it, the men who will form part of this national development economic bureau, would do well to study what has been done by other nations which have adopted similar formulae and which have achieved success because of this formula. Recently I was reading from an interesting book written by the minister of economics in the West German government, Dr. Ludwig Erhard, in which the author explains the planning which was carried out and eventually realized in West Germany immediately after the disastrous days of world war II. Dr. Erhard explains in detail how the best brains of the German nation were grouped together to consider the question of rebuilding and eventual recovery, how a definite plan was established by these people and submitted to the German government for action. He explains that it was because of this planning which took place between the forces of free enterprise on the one hand and of government on the other that West Germany was privileged to know such a rapid reconstruction as took place in that nation.

When France found herself in a chaotic state prior to the advent, once again, of General de Gaulle to the helm of that state, bold remedies were necessary. Economic planning was instituted by this great man, whom I salute tonight. One of his first announcements after he took power was that he would recruit the best brains of France—this country which has produced so many magnificent brains—so that they might get together and immediately submit a plan which would lead to the economic reconstruction of the country. Those days were not so long ago. Now, in the short space of four years, we see France occupying a position of primary importance among the nations of the world. Those who have travelled to France recently will have seen with their own eyes a prosperity the like of which was not known in that country even prior to the second world war. They will have seen new industries being built and new markets being found for the products of those industries; they will have seen a new life, a new ambition among the French people. These magnificent results are the fruit of this planning which was carried on by the men of free enterprise on the one hand and the men of the French government, under the inspired leadership of General de Gaulle, on the other.

Consider Japan, in the Far East, a nation which was an enemy of ours until a few years ago and which today has become one of our friends. What do we see? We see a booming economy which, once again, is the result of intelligent planning between free enterprise and the forces of the state. This is the way in which planning must be performed. We must at all costs avoid the pitfall of allowing one group to dominate the other. The state must not be allowed to get the upper hand over forces of free enterprise, neither must the forces of free enterprise be allowed to dominate the state. It must be a partnership. It must be an effort on the part of all the free men of this nation who by uniting and working together in a climate of mutual understanding and respect, will succeed in continuing the magnificent progress which has been achieved because of the efforts of this Conservative government, efforts which have led to the statement that Canada has experienced its best business year since 1956. We must not rest on our laurels. We must march forward and serve the Canadian people as it is our duty to do, and this can best be done by unanimously approving this national economic development board which will mark a new step in the progress of our nation.

Mr. John R. Matheson (Leeds): Mr. Speaker, we have listened tonight to the Associate Minister of National Defence (Mr. Sevigny) telling us in very glowing and rhetorical terms of the great achievements of the present administration. The conclusion would appear to be that in 1962 we seem to have reached or very slightly exceeded the production of 1956. We on this side believe this is far short of an accomplishment. Earlier we heard the Minister of Northern Affairs and National

Resources (Mr. Dinsdale) speak about the accomplishments of the first "five-year plan". If these accomplishments under the five-year plan are something which this government is proud of, we as an opposition are not. Because it was only a few weeks ago that this administration answered certain questions. One was a question with respect to the net income of farmers in Canada. The answer which was given by the ministry indicated very clearly that every year this administration has been in power the net income of farmers has declined. This record is on *Hansard* and can be referred to if necessary. On another question of the government as to the productivity per capita of the people in Canada, it was clear that the productivity for every year on record has shown decline. This is in such sharp and marked contrast with what we find in western Europe or Japan, for example, we can come to no other conclusion but that Canada, with a growing population, has actually been relatively declining.

We know very well that our position in trade has relatively declined. Reference was made a few minutes ago to the fact that pricewise the Canadian dollar was stable, and for this we rejoice. One of the reasons is obviously the high and continuing rate of unemployment. In my community there is more unemployment today than a year ago, and it was serious then.

The fact is that over this past year we have had an ever mounting rate of bankruptcy so that the bankruptcy of 1960, increasing in 1961, and increasing still further in 1962, has been one of the reasons we have had stable prices. After all, if resources are going to be as little used as they have in Canada in the last two or three years, it is clear that we are not going to end up with inflation; but there are other problems.

May I refer, because the minister recently referred to the comments of President Kennedy, to the O.E.C.D. economic survey. You remember, Mr. Speaker, that the O.E.C.D. was set up in 1960 with its headquarters in Paris. It includes Canada and the United States among its 20 members. This survey says:

> Concern over "deep-rooted problems" restricting Canada's economic growth is expressed in a report released Friday by the organization for economic co-operation and development. The lengthy survey of Canada shows that the balance of payments is likely to improve, but adds that it is unfortunate that the government chose stringent monetary measures which are almost bound to have an unfavourable effect on the course of domestic activity.

The report goes on to refer to Canada's slow rate of growth and says that persistent high unemployment and large deficits in the current external account were aggravated by a short-lived but sharp exchange crisis in the first half of 1962. "The demand for Canadian products has not kept pace with Canada's policy to produce," the report concludes. This is reported in the Ottawa *Journal* of December 29, 1962, and is headlined: "Canada's slow rate of growth". I would also refer to the Toronto *Telegram* of January 7, 1963 where the headline is: "Economy dipping". Then a graph is shown which indicates that the boom in 1962, such as it was, is not dribbling into 1963. The paper says:

> Our barometer records a drop taking place as we enter 1963... The recent gyrations of many indicators made many think that the slowdown predicted earlier for the end of 1962 had been called off. It has not...
>
> The good that was in 1962 came to a close with the year. We have now started on a downward swing.

Mr. Speaker, none of the members of the Liberal party are responsible for writing anything in the Toronto *Telegram*, except perhaps an irate letter, and we read this article with some concern and fear.

Mr. Caouette: The *Telegram* is a Conservative paper.

Mr. Matheson: My hon. friend from Villeneuve indicates that this is a Conservative paper. I would tell him that I do not think that it could ever be construed as otherwise.

Looking at the *Financial Post* for January 12, 1963 I observe this passage:

> By an easy majority the sensitive indicators of how the Canadian economy is doing suggests that the 1961-62 expanson is over and the recession is now on.

This is an article by Dalton Robertson. It goes on to say:

> Nothing in recent weeks contradicts the view that the economy probably lost most of its steam in the third quarter of last year.

As far as this legislation is concerned to provide for a national economic development board, we on this side endorse its principle. How could we do otherwise? You remember, Mr. Speaker, the motion of the hon. member for Essex East (Mr. Martin) which came before this house in 1960. You remember the scorn with which he was met in this house by the then Conservative member for Vancouver-Kingsway, since departed, the then Conservative member for Iles-de-la-Madeleine, since departed, the hon. member for Parry Sound-Muskoka (Mr. Aiken), and the Minister of Labour (Mr. Starr), who unfortunately has not found it possible to be here tonight. I think the reason for his absence is that he would have had to eat his words which he delivered in his speech of May 23, 1960.

Some hon. Members: Oh, oh.

National Economic Development Board

Mr. Matheson: If any hon. members of this house would like to see what the Minister of Labour had to say—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I should like to caution hon. members that the Chair would like to hear what is being said by the speaker who has the floor. Some of the contributions which are now being made irregularly from a number of places are not helpful in that regard. I will hear the hon. member for Leeds.

Mr. Matheson: I think the only proper word to describe the speech of the Minister of Labour on May 23, 1960 is scornful. He used certain language which appears on page 4166 of *Hansard* regarding the establishment of a national economic development board which would certainly be pretty hard for him to explain today.

We felt the need for this measure for some considerable time. The royal commission on Canada's economic prospects published their report in November, 1957, and we are fortunate to have with us one of the authors, perhaps the most important author of this publication, the hon. member who now represents Davenport (Mr. Gordon). I would remind hon. members of the house that this chapter which is entitled: "The Role of Government", sets out the objectives of governmental policies as being encouragement and promotion of steady growth and development over the long term periods, and the ironing out of peaks and valleys in the level of cyclical economic activity during short term periods, indicating that these two policies, although sometimes they do not run together, are nevertheless complementary, if there is some kind of orderly planning, foresight and thought.

I would particularly ask hon. members of the house to look at page 436 of the royal commission report, the chapter entitled: "The Role of Government". The concluding part of that page reads as follows:

> We believe it might be helpful if a body of economic experts were established whose function it would be to inform the government of changes which might be thought desirable in economic policy in order to ensure a high level of employment without inflation. One responsibility of this body would be to publish annual or semi-annual reports for the general information of the public. The success or failure of such an innovation would depend of course very largely upon the good judgment of the men who might be chosen for the task and also upon their reputations for objectivity and hence the confidence which the public would be likely to have in their opinions.

I should like to take the time in which to read that whole part of the page; however, I have not that time at my disposal.

An hon. Member: Take the time.

[Mr. Matheson.]

Mr. Matheson: However, to those who are interested I would suggest the fact that the idea of this bill before us today is set out in this 1957 report resulting from the economic study conducted in 1956. Why, in 1956, the best year Canada has had since world war II, did the Liberal people at that time consider the need for economic development? Then the chairman was of course not in the true sense a Liberal but a person appointed by a Liberal government to study what had taken place and to see what could be done that would ensure greater growth. I point out that in 1956 the Liberals were not satisfied with what was even then the production of the high peak year in the post-war period.

Some hon. Members: Oh, oh.

Mr. Matheson: The fact is that they knew there were problems and they knew that to sustain growth and development there were certain things they were obliged to face that other countries in the rest of the western world had had to face. Prior to that time they had the example, of course, of the Marshall plan in Europe, and the tremendous impetus that came under the Schuman plan. We have had reference to the growth of France, the development of E.E.C. and so on. I am very much attracted to a series of articles which has been published, and to appreciate the force of them you must read them as a series, by Mr. Patrick Nicholson. His theme is the Atlantic community. You will recall, Mr. Speaker, that various proposals were put forward at the conclusion of world war II when we realized that there was an enemy to the free world both industrially and militarily. I refer to Russia. It was considered necessary that the west would conserve its forces and work together, that only out of a degree of interdependence could the western nations plan their way into economic growth and prosperity on terms that were compatible to people who love liberty and believe in enterprise. You will recall the various recommendations which came out at that time. Canada authored NATO. There is no question about that fact. We can refer for instance, to the speech of Right Hon. Louis St. Laurent in Berlin. The Minister of Veterans Affairs is smiling. He has made some very fine speeches to which I could refer. Mr. Nicholson writes: An increasing number of thinking people now agree with Hon. Gordon Churchill that "some form of political union between the members of the great NATO coalition seems essential."

This is thinking that has been echoed at some time in every political party in this house. The fact is that article 2 of NATO, the important article 2, was very much the creation of the Canadian delegation, and particu-

larly authored by the prime minister's aide, Mr. Lester B. Pearson. Article 2 provided that NATO must not only be a defence organization but it had to go on beyond that, there had to be a degree of integrated planning between these great allies. The purpose was that we were going to develop these Atlantic nations as a community and the Atlantic community was going to embrace more than just Europe. It was Europe, the United States Britain and Canada. That is one of the reasons that, when Peter Thorneycroft in 1957 made a bold proposal for Canada to be integrated with the United Kingdom, we Liberals listened seriously because this seemed to us to be one of the means by which it was possible to work out a way or to plan our way into this integrated prosperous Atlantic community that would really become the cradle of new economic development. It did not work out for Canada. If we had had at that time this kind of economic advisory board which is envisaged in this act, I suspect that any government that had been in power in Canada in 1957 would have been obliged to take a much closer look at the Thorneycroft proposal.

I should be very much interested to conjecture if an economic advisory board had then existed what counter proposals to Mr. Thorneycroft might have resulted in the months or years following.

There would have been some alternative proposal to the United Kingdom, something which this government in five years has not been able to produce. What about now, when we are faced with a completely new change in the situation that is still not recognized by this government, that is the fact that Britain may be part of E.E.C.—demanding some change in our policy.

We had the reference earlier today by the now Minister of Justice but one time minister of finance, to his happy trip to Japan. I was interested to make certain comparisons. The Prime Minister of Japan, Hayato Ikeda of the Liberal democratic party on June 6, 1961, spoke of the various programs that his government had chosen and vigorously pursued in order to plan their way into economic growth. One of the things he said in that important speech to the forty first session of the Japanese diet was this, and I remind hon. members that this speech was delivered in June, 1961:

> The fact that the question of Britain's adherence to the European economic community has become a practical issue of the day and the fact that the United States government is moving toward collaboration with E.E.C. along the line of its trade expansion bill presage the reorganization of the world economy.

This is Japan. It will be recalled that in two years Japan had increased its gross national production by nearly five thousand billion yen and had managed to keep its prices at the same level or very nearly stable while its consumer spending increased to a staggering degree. Some people speak of Japan's productivity increasing over 40 per cent. I indicate that this was a speech to the Japanese diet by a responsible Liberal Japanese prime minister. Yet a few weeks after that speech we find that at Accra the Hon. George Hees, according to United Press International, said this:

> There is no substitute for the terms of access we are now accorded in the United Kingdom market... It is clear that damage, extensive damage, in some cases irreparable damage, would result from the loss of our present trading arrangements with the United Kingdom.

And the then minister of finance (Mr. Fleming), according to the Ottawa *Journal* of September 26, 1961, was reported as follows:

> To set the record straight, Mr. Fleming last week called in leading British correspondents covering the international monetary fund meeting in Vienna. With great emotion, he argued that commonwealth countries were unanimous in their condemnation of Britain's attempt to join the common market.

Why did we not see trends evident to the Japanese?

Why do we need this kind of a bill? Why do we need a planning group? I think it is clear that the Liberals felt that even with the peaks we had achieved in 1956 and the first two quarters of 1957, such an economic advisory board would be desirable. Why did they have this feeling? People so frequently in this house refer to the 22 years. I always deny that reference. There were not 22 years. There was a series of years when the Liberal administration was given a mandate for certain specific jobs because different challenges faced Canada at different times. In 1935 the challenge was to get out of a very severe depression. That was the problem. That was the comparatively short term problem to which they had to address themselves. I submit seriously that in economic terms there was not any long range plan involved with respect to that program. The situation was so critical and so severe that what had to be done was done in the way of an emergency.

Then in 1940 Canada had another general election and it will be recalled that again there was no possibility of the long term view or the long term plan. Again it was an emergency situation where the Liberal party had a mandate to try to save what they could of our part of the world and the free world. Therefore all the energies of this country were devoted to throwing ourselves into the defence effort with our allies, and we did that. However, it was limited in

scope. The object was to win a war. While it is true that in those five years or those war years people like Right Hon. C. D. Howe, to whom there has been reference tonight, in fact were thinking in longer range terms, and were thinking of the future, nevertheless the real political purpose of those years, as the older members of this house will recall, was to address ourselves to the problems of the war.

Then following the war there was an election with a short term problem, the problem of converting from war to peace. This problem did not permit the long range view. This problem did not permit the kind of view that Europe has been able to take with respect to the Marshall plan where Europe and the E.E.C. and even the outer six countries have been able to plot, to think out and develop ideas that would take many years, perhaps decades, to fulfil.

Then, following that period, we went into a period which was creative in so far as social security in this country was concerned. We were trying to attain redistribution of income in a more equitable and favourable way for various classes of people, the old and the young. Much of our social security was given at a time—I am just illustrating this point—when we can honestly say the Liberals were not thinking in long terms during that 22-year period. They were thinking only about the problems that were foreseeable in the immediate years before them then. Now, this is the big difference—

Some hon. Members: Oh, oh.

Mr. Matheson: There is a bit of laughter in this house, particularly from the hon. member for Oxford (Mr. Nesbitt). I would suggest, however, that this government has come to the point in its thinking that they are thinking about five months or perhaps five weeks ahead. I am thinking of the things they have done in the field of economics. I cite, for example, this "snafu" they got themselves into in connection with the devaluation. It was not one of choice.

Mr. Nesbitt: You do not approve of it?

Mr. Matheson: Unless we were grossly deceived in this country.

An hon. Member: We were.

Mr. Matheson: Perhaps we were. On this side, we had the feeling that we were misled deliberately, misled by the Prime Minister (Mr. Diefenbaker) and the then minister of finance (Mr. Fleming) in the matter of our exchange reserves.

Mr. Nesbitt: Tell us about Bob Winter's speech in Halifax.

[Mr. Matheson.]

Mr. Matheson: I am saying that the feeling is growing in this country, and we believe this, that this country has been governed in the last few months and years on a purely ad hoc basis. In other words, when a problem arises we face that particular problem but we are not prepared to think more broadly and deeply, in more substantive terms.

This is one of the reasons that the chairman of the Gordon commission, in 1956, came to the conclusion that the time had arrived when Canada had to do the sort of thing that was being done in western Europe, Germany, France, the Benelux countries and Italy. We had to start thinking in longer terms. For example, we have witnessed the great developments that have been occurring in Latin America and the resultant change in trade patterns. We are not foolish enough to suggest there have not been new problems for this administration. There have been startlingly new problems. However, this administration has acted as though there has been no change at all. There has been very little flexibility.

For instance, five or six years after the recommendations were made and earnestly put forward, we find Bill No. C-87 before us which, with its tenuous terms, seems to set up a national economic development board. We just wonder how serious this government really is about planning the growth and development of Canada. I recall a few months ago attending a meeting of the bureau of statistics, I think it was, at which the guest was an economist from Washington who had been of great assistance to the Kennedy administration. He was speaking about growth. It was interesting. This meeting was under the auspices of a committee, the chairman of which was John Deutsch. It was interesting. I sat there as an outsider and heard questions put forward by economists to this expert. The real problem was this: what happens in a country if the real problems are not faced at all, ever?

Now, they have got to be faced. I think we have to be worried to some extent about the danger of trying to pass over to a committee, a council or a board, the responsibilities of the cabinet. Under our constitutional system, we cannot create something new that is neither a cabinet nor a civil service and say, this new board is going to be responsible for our growth. It has been indicated that this government has established a plethora of boards and agencies having closely related functions. The danger is that some of them might attach to ministries, some of them may simply be a basis, for instance, for the Minister of Finance to shore himself up against his

colleagues in the cabinet. He might say, "my board takes this view," or "the national economic development board supports my contention."

An earlier speaker today on this bill addressed himself to the problem of various advisory boards being set up and presided over by different ministers. It may well be that the time will come, if this board develops into something important, when it should be transferred to the office of the Prime Minister. Certainly, this can be a very important board. This board, through the integration of various key activities, has the duty to provide full production and has continuously to find more productive employment for the steadily increasing Canadian population. We believe that the Canadian gross national product, in terms of real value, has declined while that of all the free world countries has experienced an increase. The increase in western Europe and Japan has been startling. This has largely resulted from systematic and intelligent planning.

No longer is it a case of planning being evidence of a doctrinaire position. I find in the last submission of the Canadian Labour Congress to the government of Canada dated September 11, 1962, that they endorsed planning with great enthusiasm. They spoke of the importance of a national economic development board, particularly one which could function in a way that would bring together these various important factors of production, labour and management and also government. We find, too, that the day when there used to be opposition from management and capital is fast disappearing. If I had the time, and I do not have the time tonight, I could read from the Toronto *Globe and Mail* and from the *Financial Times* to indicate that there is on the part of capital a recognition that there cannot be any real, bold enterprise in this country unless capital is given the opportunity of knowing what the landmarks are for some foreseeable period ahead. They have got to be able to think and plan ahead, and labour has to be able to think this way as well. We should be able to work in a harmonious fashion, government, management, labour, agriculture and university people all contributing. I refer particularly to the universities because of their tendency to deal with some of these basic economic principles more objectively than management or labour or even the government can hope to do.

If we could have this kind of a body that would provide for some measure of continuity, would integrate the efforts of various ministries which are each trying to do the best thing in their own particular area but each needing some long range guidance, then we might be in a position where we could advance and develop. I do not have time to read them but there were recommendations presented by Neil J. McKinnon, president of the Canadian Imperial Bank of Commerce, in his bank letter dated December, 1962. He referred to the need for a new approach in assessing Canadian problems, and I think his article is worthy of our thoughtful consideration. He says:

> We cannot go on indefinitely using up large quantities of imported consumer goods paid for by capital borrowed from abroad.

This is a problem which has to be thought out in broad terms and not under the ad hoc system of exchange control adopted by this government. The letter says:

> We cannot continue to solve imbalances by future depreciation of the currency.

There is this continuing danger, and I believe mention was made of it by President Kennedy. I continue to quote:

> Import quotas, which might become necessary as emergency devices in the event of additional pressure on the dollar will not provide a permanent solution—

We do not believe they will. He says, in connection with our trade relation to the United States, that our favourable trade balance with other countries is not sufficient to cover the payment deficit with the United States. For the longer run, we shall not be able to realize the optimum of economic progress without gradually increasing the integration of the economies of the two countries which would in fact make us more competitive in all countries.

This, sir, is perhaps the most compelling problem that we have to face, the extent to which we must become more integrated with our neighbours, the United States, the United Kingdom, the new European community, and I hope we solve this problem in the direction suggested in the proposal for an Atlantic community.

May I call it ten o'clock?

BUSINESS OF THE HOUSE

Mr. Chevrier: This afternoon the Prime Minister, on orders of the day, indicated certain business of the house for Thursday and Friday which was different from that submitted in the proposal by the house leader. The question I put to the house leader now is, what is the business for these two days, Thursday and Friday, as well as for tomorrow and Wednesday?

Business of the House

Mr. Churchill: Tomorrow, Mr. Speaker, there will be a continuation of this debate. On Wednesday, which is a short day, I would like very much if the house would consider item No. 2 on today's order paper, the Freight Rates Reduction Act which we almost finished with before the Christmas adjournment. It is a matter of some urgency for financing purposes, and also No. 15 on today's order paper, which we almost reached just before Christmas, the C.N.R. capital expenditures. The Prime Minister suggested today that on Thursday and Friday we would deal with the estimates of the Department of External Affairs.

It being two minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

APPENDIX "A"

TEXT OF JOINT COMMUNIQUE BY
THE PRESIDENT AND PRIME MINISTER HAROLD MACMILLAN
FOLLOWING DISCUSSIONS HELD IN NASSAU, BAHAMAS
DECEMBER 18-21, 1962

The President and the Prime Minister met in Nassau from December 18 to December 21. They were accompanied by the Secretary of Defense, Mr. McNamara, and the under secretary of state, Mr. Ball, and by the Foreign Secretary, Lord Home, the Minister of Defence, Mr. Thorneycroft and the Secretary of State for Commonwealth Relations and Colonies, Mr. Sandys.

The President and the Prime Minister discussed a wide range of topics. They reviewed the state of east-west relations in the aftermath of the October crisis in Cuba, and joined in the hope that a satisfactory resolution of this crisis might open the way to the settlement of other problems outstanding between the west and the Soviet union.

In particular, they reviewed the present state of the negotiations for a treaty ending nuclear tests, and reaffirmed their intent to seek agreement on this issue with the U.S.S.R., in the hope that this agreement would lead on to successful negotiations on wider issues of disarmament.

As regards Berlin, they reaffirmed their interest in arriving at a solid and enduring settlement which would ensure that Berlin remains free and viable.

The Chinese communist attack on India was discussed with special consideration being given to the way in which the two governments might assist the government of India to counter this aggression. Defence problems of the subcontinent were reviewed. The Prime Minister and the President are hopeful that the common interests of Pakistan and India in the security of the subcontinent would lead to a reconciliation of Indian-Pakistan differences. To this end, they expressed their gratification at the statesmanship shown by President Ayub and Prime Minister Nehru in agreeing to renew their efforts to resolve their differences at this crucial moment.

The two leaders discussed the current state of affairs in the Congo, and agreed to continue their efforts for an equitable integration of this troubled country. They expressed support for Mr. Spaak's proposal for a fair division of revenues and noted with concern the dangers of further discord in the Congo.

The Prime Minister informed the President of the present state of negotiations for U.K. membership in the common market. The President reaffirmed the interest of the United States in an early and successful outcome.

The President and the Prime Minister also discussed in considerable detail policy on advanced nuclear weapons systems and considered a variety of approaches. The result of this discussion is set out in the attached statement.

Statement on Nuclear Defence Systems

December 21, 1962

(1) The President and the Prime Minister reviewed the development program for the Skybolt missile. The President explained that it was no longer expected that this very complex weapons system would be completed within the cost estimate or the time scale which were projected when the program was begun.

(2) The President informed the Prime Minister that for this reason and because of the availability to the United States of alternative weapons systems, he had decided to cancel plans for the production of Skybolt for use by the United States. Nevertheless, recognizing the importance of the Skybolt program for the United Kingdom, and recalling that the purpose of the offer of Skybolt to the United Kingdom in 1960 had been to assist in improving and extending the effective life of the British V-bombers, the President expressed his readiness to continue the development of the missile as a joint enterprise between the United States and the United Kingdom, with each country bearing equal shares of the future cost of completing development, after which the United Kingdom would be able to place a production order to meet its requirements.

(3) While recognizing the value of this offer, the Prime Minister decided, after full consideration, not to avail himself of it because of doubts that had been expressed about the prospects of success for this weapons system and because of uncertainty regarding date of completion and final cost of the program.

(4) As a possible alternative the President suggested that the Royal Air Force might use the Hound Dog missile. The Prime Minister responded that in the light of the technical difficulties he was unable to accept this suggestion.

(5) The Prime Minister then turned to the possibility of provision of the Polaris missile to the United Kingdom by the United States. After careful review, the President and the

Prime Minister agreed that a decision on Polaris must be considered in the widest context both of the future defence of the Atlantic alliance and of the safety of the whole free world. They reached the conclusion that this issue created an opportunity for the development of new and closer arrangements for the organization and control of strategic western defence and that such arrangements in turn could make a major contribution to political cohesion among the nations of the alliance.

(6) The Prime Minister suggested and the President agreed that for the immediate future a start could be made by subscribing to NATO some part of the forces already in existence. This could include allocations from United States strategic forces, from United Kingdom bomber command, and from tactical nuclear forces now held in Europe. Such forces would be assigned as part of a NATO nuclear force and targeted in accordance with NATO plans.

(7) Returning to Polaris, the President and the Prime Minister agreed that the purpose of their two governments with respect to the provision of the Polaris missiles must be the development of a multilateral NATO nuclear force in the closest consultation with other NATO allies. They will use their best endeavors to this end.

(8) Accordingly, the President and the Prime Minister agreed that the U.S. will make available on a continuing basis Polaris missiles (less warheads) for British submarines. The U.S. will also study the feasibility of making available certain support facilities for such submarines. The U.K. government will construct the submarines in which these weapons will be placed and they will also provide the nuclear warheads for the Polaris missiles. British forces developed under this plan will be assigned and targeted in the same way as the forces described in paragraph 6.

These forces, and at least equal U.S. forces, would be made available for inclusion in a NATO multilateral nuclear force. The Prime Minister made it clear that except where H.M.G. may decide that supreme national interests are at stake, these British forces will be used for the purposes of international defence of the western alliance in all circumstances.

(9) The President and the Prime Minister are convinced that this new plan will strengthen the nuclear defence of western alliance. In strategic terms this defence is indivisible, and it is their conviction that in all ordinary circumstances of crisis or danger, it is this very unity which is the best protection of the west.

(10) The President and the Prime Minister agreed that in addition to having a nuclear shield it is important to have a non-nuclear sword. For this purpose they agreed on the importance of increasing the effectiveness of their conventional forces on a worldwide basis.

Following is text of joint communique agreed by Mr. Diefenbaker and Prime Minister Harold Macmillan.

Joint Communique

Following on their joint meeting with President Kennedy, the Prime Ministers of Canada and the United Kingdom had discussions in Nassau from Dec. 21-22.

The foreign secretary, Lord Home, took part in some of these.

The two prime ministers discussed a wide range of topics which had been on the agenda for Prime Minister Macmillan's talks with President Kennedy. In particular, Mr. Diefenbaker and Mr. Macmillan reviewed the state of east-west relations, including the problem of nuclear tests and disarmament, and expressed the hope that the present situation might offer opportunities for constructive moves in the problems outstanding in these fields.

They also reviewed the situation in the Indian subcontinent and Prime Minister Diefenbaker expressed his strong support for the declaration by President Kennedy and Mr. Macmillan about the desirability of a reconciliation of Indian and Pakistan differences.

The two prime ministers also discussed the situation in the Congo and agreed on the desirability of a peaceful solution which would promote the unity of that country and prevent further discord.

The two prime ministers exchanged views about the current negotiations for British membership of the common market and affirmed the importance of close consultation in this regard.

The two prime ministers expressed their strong conviction of the vital role which the commonwealth can play in the improvement of understanding between nations, in promoting the cause of freedom, and in the solution of world problems.

They also stated their satisfaction at the unique opportunity which the commonwealth provides for close, friendly and continuing consultations. Such consultations are in themselves an expression of the vitality of the commonwealth and of its increasing usefulness in the service of mankind.

Nassau, the Bahamas
December 22, 1962

APPENDIX "B"

JOINT COMMUNIQUE OF THE FIRST MEETING OF THE CANADA-JAPAN MINISTERIAL COMMITTEE

January 12, 1963.

I

The first meeting of the Canada-Japan ministerial committee was held at the ministry of foreign affairs, Tokyo, on January 11 and 12, 1963.

Canada was represented at the meeting by Hon. Donald M. Fleming, Minister of Justice and Attorney General, Hon. J. Angus MacLean, Minister of Fisheries, Mr. David Sim, deputy minister of national revenue, Mr. N. A. Robertson, under secretary of state for external affairs, Mr. J. A. Roberts, deputy minister of trade and commerce and Mr. W. F. Bull, Canadian ambassador to Japan.

Japan was represented by Hon. Masayoshi Ohira, Minister for Foreign Affairs, Hon, Kakuei Tanaka, Minister of Finance, Hon. Seishi Shigemasa, Minister for Agriculture and Forestry, Hon. Hajime Fukuda, Minister for International Trade and Industry and Hon. Kiichi Miyazawa, Minister of State and Director-General of Economic Planning Agency, and Mr. Nobuhiko Ushiba, Japanese ambassador to Canada.

The committee discussed the whole range of the trade and economic relations between Canada and Japan as well as their trade and economic relations with the rest of the world.

II

The Canadian ministers outlined the growth which has taken place in the Canadian economy. They explained that the rapidly growing labour force in Canada must largely find employment opportunities in secondary industry. The Japanese ministers reviewed the significant achievements in the development of the Japanese economy and stressed the importance to Japan of expanded foreign trade. The committee examined the balance of payments problems of both countries and noted the progress that was being made toward their solution.

There was an exchange of views about the trade relations between the two countries. The ministers of the two countries reviewed the growth of trade between Canada and Japan. The committee agreed that there existed good opportunities for further expansion of trade between Canada and Japan. In the course of the discussion, the annual consultations for Japan's export restraints were reviewed at some length. The committee agreed on the desirability of concluding the consultations as quickly as possible.

The committee did not enter into the details of the current consultations for 1963, but it had a full exchange of views on the fundamental principles governing such consultations. The committee believed that such frank exchange of views would make a significant contribution to increased understanding between the two countries of their mutual trade relations.

The Japanese ministers reaffirmed the principle of orderly marketing of Japanese exports to Canada of products competitive with Canadian production in order to avoid injury to Canadian industries. At the same time they emphasized the Japanese desire to see gradual expansion of exports of commodities subject to voluntary restriction and removal of such restraints as soon as the Canadian situation permits.

The committee reviewed recent progress made in the liberalization of imports into Japan. The Canadian ministers asked that as further progress became possible Japan should keep in mind Canada's interest in certain products. The Canadian ministers urged that quantitative restrictions should not be replaced by tariff increases or other restrictive devices.

The committee took note of the assurances of the Canadian government that the Canadian temporary import surcharges would be eliminated as quickly as Canada's balance of payments position permits.

The committee examined recent developments in international economic relations. The committee took special note of the joint initiative taken by the Prime Minister of Canada and the President of the United States in calling for a meeting of ministers to set in train a broad program for the liberalization and expansion of trade. The committee welcomed the fact that this meeting would take place under the auspices of GATT in the early part of 1963. The committee stressed the importance of achieving the broadest participation in the tariff negotiations which would follow the meeting of ministers and emphasized that such negotiations must be based upon the unconditional most favoured nation principle. The committee recognized the need to make progress in all sectors of trade.

The ministers reviewed the efforts being made by Canada and Japan to assist economic progress in the developing countries and noted that both countries were co-

operating together in this field in various international bodies. They recognized that the economic progress of the developing countries required not only financial assistance but also expanding export opportunities for their products. The committee noted that this would be a major objective of the forthcoming U.N. conference on trade and development. They agreed that Canada and Japan should work closely together in the preparatory committee in order to ensure the achievement of meaningful and constructive results.

The Canadian delegation expressed the strong support of the Canadian government for increased participation by Japan in the organization for economic co-operation and development (OECD) and full Japanese membership therein.

The committee discussed a number of fisheries matters. There was an exchange of information and views on the present conditions of the respective domestic fishing industries as well as on the international aspect of fisheries. The importance of fisheries for the economies of the two countries and the significance of international co-operation for the sound promotion of fisheries were emphasized.

It was agreed that negotiations be initiated between the two governments for the conclusion of an agreement for the avoidance of double taxation in view of the need for further strengthening of economic relations between the two countries.

III

The ministers of the two countries were unanimously agreed that the Canada-Japan ministerial committee which was established by Prime Minister Ikeda and Prime Minister Diefenbaker in June 1961 was of great value for the development of better mutual understanding between the two countries. Accordingly this highly successful first meeting was of historic importance.

The committee accepted the invitation of the Canadian government to hold its next meeting in Ottawa.

APPENDIX "C"

EXCHANGE OF LETTERS BETWEEN CHAIRMAN KHRUSHCHOV AND PRESIDENT KENNEDY

Following is the text of a letter dated December 19, 1962 from Chairman Khrushchov to President Kennedy.

Dear Mr. President,

In our recent correspondence related to the events in the Caribbean area we have touched on the question of the cessation of nuclear weapon tests. Today I would like to come back again to that problem and to set forth my views concerning possible ways of its speediest solution which would be mutually acceptable to both our sides.

It seems to me, Mr. President, that the time has come now to put an end once and for all to nuclear tests, to draw a line through such tests. The moment for this is very very appropriate. Left behind is a period of utmost acuteness and tension in the Caribbean. Now we have untied our hands to engage closely in other urgent international matters and, in particular, in such a problem which has been ripe for so long as the cessation of nuclear tests. A certain relaxation of international tension which has emerged now should in my view facilitate this.

The U.S.S.R. does not need war. I think that war does not promise bright prospects for the U.S.A. either. If in the past after every war America used to increase its economic potential and to accumulate more and more wealth, now war with the use of modern rocket-nuclear weapons will stride across seas and oceans within minutes. Thermonuclear catastrophe will bring enormous losses and sufferings to the American people as well as to other peoples on earth. To prevent this we must on the basis of complete equality and with just regard for each other's interests develop between ourselves peaceful relations and solve all issues through negotiations and mutual concessions.

One of such questions with which the governments of our countries have been dealing for many years is the question of concluding a treaty banning all tests of nuclear weapons.

Both of us stand on the same position with regard to the fact that national means of detection are sufficient to control banning experimental nuclear explosions in outer space, in the atmosphere and under water. So far, however, we have not succeeded in finding a mutually acceptable solution to the problem of the cessation of underground tests. The main obstacle to an agreement is the demand by the American side of international control and inspection on the territories of nuclear powers over cessation of underground nuclear tests. I would like to believe that you yourself understand the rightness of our arguments that now national means are sufficient to control also this kind of tests and be sure that agreement is observed by any side. But

so far you do not want to recognize openly this actual state of things and to accept it as a basis for concluding without delay an agreement on the cessation of tests.

Striving to find a mutually acceptable basis for agreement, the U.S.S.R. has made lately an important step toward the west and agreed to installing automatic seismic stations. This idea, as is known, was put forward not by us. It was introduced by British scientists during the recent meeting in London of the participants of the Pugwash movement. Moreover, it is well known to us that when this idea was proposed it was not alien to your scientists who were in London at that time.

We proposed to instal such stations both near the borders of nuclear powers and directly on their territories. We stated our agreement that three such stations be installed on the territory of the U.S.S.R. in the zones most frequently subjected to earthquakes. There are three such zones in the U.S.S.R. where these stations can be installed: central Asian, Altaian and Far Eastern.

In the opinion of soviet scientists, the most suitable places for locating automatic seismic stations in the U.S.S.R. are: the area of the city of Kokchetav for the central Asian zone of the U.S.S.R.; the area of the city of Bodaibo for the Altaian zone; and the area of the city of Yakutsk for the Far Eastern zone. However, should, as a result of the exchange of opinion between our representatives, other places be suggested for locating automatic seismic stations in these seismic zones, we will be ready to discuss this question and find a mutually acceptable solution.

Beside the above said zones there are two more seismic zones in the U.S.S.R.—the Caucasian and the Carpathian. However these zones are so densely populated that conducting nuclear tests there is practically excluded.

Of course, delivery to and from the international center of appropriate sealed equipment for its periodic replacement at automatic seismic stations in the U.S.S.R. could well be made by Soviet personnel and on Soviet planes. However, if for such delivery of equipment to and from automatic seismic stations participation of foreign personnel were needed, we would agree to this—also having taken, if necessary, precautionary measures against the use of such trips for reconnaissance. Thus our proposal on automatic seismic stations includes elements of international control. This is a major act of good will on the part of the U.S.S.R.

I will tell you straightforwardly that before making this proposal I have consulted thoroughly the specialists; and after such consultation my colleagues in the government and I came to the conclusion that, so far as the U.S.S.R. is concerned, the above said considerations on the measures on our part are well founded, and it seems to us they should not cause objections on the part of the American side.

You, Mr. President, and your representatives point out that without at least a minimum number of on-site inspections you will not manage to persuade the U.S.A. Senate to ratify an agreement on the cessation of tests. This circumstance, as we understand, ties you and does not allow you to sign a treaty which would enable all of us to abandon for good the grounds where nuclear weapons are tested. Well, if this is the only difficulty on the way to agreement, then for the noble and humane goal of ceasing nuclear weapon tests we are ready to meet you halfway in this question.

We noted that, on last October 30, in conversation with first deputy foreign minister of the U.S.S.R., V. V. Kuznetsov in New York, your representative, Ambassador Dean, stated that in the opinion of the United States government, it would be sufficient to carry out 2-4 on-site inspections each year on the territory of the U.S.S.R. According to Ambassador Dean's statement, the U.S.A. would also be prepared to work out measures which would rule out any possibility of carrying on espionage under cover of these inspection trips, including such measures as the use of Soviet planes piloted by Soviet crews for transportation of inspectors to the sites, screening of windows in the planes, prohibition to carry photo cameras, etc.

We took all this into account; and, in order to overcome the deadlock and to arrive at last at a mutually acceptable agreement, we would agree, in those cases when it would be considered necessary, to 2-3 inspections a year on the territory of each of the nuclear powers in the seismic areas where some suspicious earth tremors might occur. It goes without saying that the basis of control over an agreement on an underground nuclear test ban would be the national means of detection in combination with automatic seismic stations. On-site inspections could be carried out with the precautions mentioned by Ambassador Dean against any misuse of control for purposes of espionage.

We believe that now the road to agreement is straight and clear. Beginning from January 1, 1963, the world can be relieved of the roar of nuclear explosions. The peoples are waiting for this; this is what the United Nations general assembly has called for. With the elimination of the Cuban crisis we relieved mankind of the direct menace of the combat use of lethal nuclear weapons

that impended over the world. Can't we solve a far simpler question—that of the cessation of experimental explosions of nuclear weapons—in peaceful conditions? I think that we can and must do it. Here lies now our duty before the peoples of not only our countries but of all other countries. Having solved promptly also this question—and there are all the preconditions for that—we shall be able to facilitate working out an agreement on disarmament and with even more confidence proceed with solving other urgent international problems which we and you unfortunately are not short of.

Sincerely,
N. Khrushchov.

Following is the text of a letter dated December 28, 1962 from President Kennedy to Chairman Khrushchov.

Dear Mr. Chairman,

I was very glad to receive your letter of December 19, 1962 setting forth your views on nuclear tests. There appear to be no differences between your views and mine regarding the need for eliminating war in this nuclear age. Perhaps only those who have the responsibility for controlling these weapons fully realize the awful devastation their use would bring.

Having these considerations in mind and with respect to the issue of a test ban, I therefore sincerely hope that the suggestions that you have made in your letter will prove to be helpful in starting us down the road to an agreement. I am encouraged that you are prepared to accept the principle of on-site inspections. These seem to me to be essential, not just because of the concern of our congress, but because they seem to us to go to the heart of a reliable agreement ending nuclear testing.

If we are to have peace between systems with far reaching ideological differences, we must find ways for reducing or removing the recurring waves of fear and suspicion which feed on ignorance, misunderstanding or what appears to one side or the other as broken agreements. To me the element of assurance is vital to the broader development of peaceful relationships.

With respect to the question of on-site inspections I would certainly agree that we could accept any reasonable provision which you had in mind to protect against your concern that the on-site inspectors might engage in "espionage" en route to the area of inspection. In a statement at the United Nations, Ambassador Stevenson suggested that the U.S.A. would accept any reasonable security provision while the inspectors were being taken to the site, so long as they had reasonable provision for satisfying themselves that they were actually at the intended location and had the freedom necessary to inspect the limited designated area.

With respect to the number of on-site inspections, there appears to have been some misunderstanding. Your impression seems to be that Ambassador Dean told Deputy Minister Kuznetsov that the U.S.A. might be prepared to accept an annual number of on-site inspections between two and four. Ambassador Dean advises me that the only number which he mentioned in his discussions with Deputy Minister Kuznetsov was a number between eight and ten. This represented a substantial decrease in the request of the U.S.A., as we had previously been insisting upon a number between twelve and twenty. I had hoped that the U.S.S.R. would match this motion on the part of the U.S.A. by an equivalent motion in the figure of two or three on-site inspections which it had some time ago indicated it might allow.

I am aware that this matter of on-site inspections has given you considerable difficulty, although I am not sure that I fully understand why this should be so. To me an effective nuclear test ban treaty is of such importance that I would not permit such international arrangements to become mixed up with our or any other national desire to seek other types of information about the U.S.S.R. I believe quite sincerely that arrangements could be worked out which would convince you and your colleagues that this is the case.

But in this connection your implication that on-site inspections should be limited to seismic areas also gives us some difficulty. It is true that in the ordinary course we would have concern about events taking place in the seismic areas. However an unidentified seismic event coming from an area in which there are not usually earthquakes would be a highly suspicious event. The U.S.A. would feel that in such a circumstance the U.S.S.R. would be entitled to an on-site inspection of such an event occurring in our area and feels that the U.S.A. should have the same rights within its annual quota of inspections.

Perhaps your comment would be that a seismic event in another area designated for inspection might coincide with a highly sensitive defense installation. I recognize this as a real problem but believe that some arrangement can be worked out which would prevent this unlikely contingency from erecting an insuperable obstacle.

Your suggestion as to the three locations in the U.S.S.R. in which there might be unmanned seismic stations is helpful, but it does not seem to me to go far enough. These stations are all outside the areas of highest seismicity and therefore do not record all

of the phenomena within those areas. These stations would be helpful in increasing the detection capability of the system but I doubt that they would have the same value in reducing the number of suspicious seismic events by identifying some as earthquakes. For this purpose unmanned seismic stations should be in the areas of highest seismicity not outide them. To achieve this result there would be need for a number of stations in the vicinity of the Kamchatka area and a number in the Tashkent area. It might be possible, of course, to reduce somewhat the number actually in the U.S.S.R. by arranging stations in Hokkaido, Pakistan and Afghanistan. If the stations on Soviet territory were sited in locations free from local disturbances and could be monitored periodically by competent U.S.A. or international observers who took in portable seismometers and placed them on the pedestals it would be very helpful in reducing the problem of identification.

You have referred to the discussion of the "black box" proposal at the tenth Pugwash conference in London in September of this year as a U.K. proposal to which the U.S.A. has agreed. I do not believe that this was the situation. This proposal was reported to me as a Soviet proposal which was discussed with some U.S.A. scientists. Of the U.S.A. scientists who signed the statement, none represented the U.S.A. government or had discussed the matter with responsible officials. All were speaking as individuals and none were seismologists. Their agreement does not signify anything other than that this was an area which justified further study. The U.S.A. government has given it that study and the results have been the conclusions which I have indicated above.

Notwithstanding these problems I am encouraged by your letter. I do not believe that any of the problems which I have raised are insoluble, but they ought to be solved. I wonder how you think we might best proceed with these discussions which may require some technical development. It occurs to me that you might wish to have your representative meet with Mr. William C. Foster, the director of our arms control and disarmament agency, at a mutually convenient place such as New York or Geneva. I will be glad to have your suggestions. After talks have been held we will then be in a position to evaluate where we stand and continue our work together for an effective agreement ending all nuclear tests.

Following is the text of a letter dated January 7, 1963 from Chairman Khrushchov to President Kennedy.

Dear Mr. President,

I received your reply to my message of December 19, 1962. I am satisfied that you have appraised correctly the Soviet government's proposals set forth in that message, as directed to securing in the very near future a ban on all tests of nuclear weapons.

We understand your answer as meaning that you do not object that national means of detection together with automatic seismic stations should be the basis for control over an agreement banning underground nuclear tests. We note your agreement that installation of automatic seismic stations will prove useful from the point of view of increasing the effectiveness of control over the cessation of underground nuclear explosions. During the Geneva talks it was justly observed also by your representatives that installation of such seismic stations would serve as a good means of verifying the correctness of the functioning of national seismic stations. It is precisely by these considerations that the Soviet government was guided in proposing that the idea of installing automatic seismic stations put forward at the Pugwash meeting of scientists be utilized.

In my message of December 19, 1962, I indicated those three areas where, in the opinion of our scientists, automatic seismic stations should be set up on the territory of the U.S.S.R. Those areas were selected after a thorough study with comprehensive consideration being given to geological and seismic conditions in those places.

In the areas of Kokchetav and Bodaibo, automatic seismic stations would be located according to our suggestion at the exposures of crystalline rocks, while in the Yakutsk area—in the zone of eternal congelation. As is known, on crystalline rocks and on grounds frozen deep down, always only minor seismic hindrances are noticed, which facilitates reliable detection of underground nuclear explosions. In combination with seismic stations abroad on territories adjacent to the seismic zones in the U.S.S.R., automatic stations located in the above mentioned points will be an adequate means, capable of removing possible doubts of the other side with regard to the correctness of the functioning of the national seismic station network.

You did not make any comments on the location of an automatic seismic station for the Altai zone in the region of the city of Bodaibo and thus we could consider this question as agreed upon.

However, you have doubts as to the location of automatic seismic stations for the other seismic zones in the U.S.S.R.—the Far Eastern and the central Asian ones. As far as those zones are concerned, in your opinion it would be expedient to place such stations in the Kamchatka area and in the area of Tashkent. In the opinion of Soviet scientists plac-

ing automatic seismic stations in the areas of Tashkent and Kamchatka would be a worse variant as compared to the one that we propose, because in those areas the functioning of automatic stations will be seriously handicapped by seismic hindrances. But if you believe it more expedient to relocate those stations we will not object to that. In my message to you I have already pointed out that the U.S.S.R. is prepared to seek a mutually acceptable solution also in the question of the location of automatic seismic stations. We would agree to relocate the automatic seismic station for the central Asian zone of the U.S.S.R. to the Lashkent area, placing it near the city of Samarkand; and for the Far Eastern zone—to place the automatic station at Seimchan which is part of the Kamchatka seismic area.

Location of an automatic seismic station on the Kamchatka peninsula itself seems in the opinion of Soviet scientists clearly unacceptable, in view of strong hindrances caused by the proximity of the ocean and strong volcanic activity in the peninsula itself which will inevitably hamper normal functioning of a station. It appears to us that thus we could consider as agreed upon also the question of the location of automatic seismic stations for the central Asian and Far Eastern zones of the U.S.S.R.

The Soviet government having consulted its specialists came to the conclusion that it is quite enough to install three automatic seismic stations on the territory of the U.S.S.R.—the more so since in your message, Mr. President, the possibility is envisaged of setting up automatic seismic stations on territories adjacent to the seismic zones in the U.S.S.R.: on the Hokkaido, in Pakistan and Afghanistan, naturally with the consent of the respective governments.

The Soviet government has named definite areas for the location of automatic seismic stations on the territory of the U.S.S.R. Moreover, Mr. President, taking into account your wishes, we agree to relocate two stations to new places. We are entitled to expect, therefore, that your side also will name definite areas where such stations should be set up on the territory of the U.S.A., and that in reaching an agreement on the sites where stations are to be placed the American side will take into account our wishes.

Mr. President, we are convinced that all the conditions exist now for reaching an agreement also on the question of inspection. It is known that all the time recently, we heard repeatedly from the western side—agree in principle to inspection and then the road to agreement will be open. We believed and we continue to believe now that in general inspection is not necessary; and if we give our consent to an annual quota of 2-3 inspections, this is done solely for the purpose of removing the remaining differences for the sake of reaching agreement.

As you see, we have made a serious step in your direction. The quota of inspections on the territory of each of the nuclear powers that we propose is sufficient. Indeed in the negotiations your representatives themselves recognized that there is no need to verify all or a greater part of the significant suspicious phenomena to restrain states from attempts to violate the treaty. And they gave figures of annual inspections practically equalling the quota proposed by us. Naturally it is most reasonable to carry out inspection in seismic areas where the biggest number of unidentified seismic phenomena may occur. However, if you consider it necessary, we have no objection to inspection being carried out also in non-seismic areas, provided such inspections are conducted within the annual quota indicated by us.

I noticed that in your reply you agree with the necessity of taking reasonable measures of precaution which would exclude the possibility of using inspection trips and visits to automatic seismic stations for the purpose of obtaining intelligence data. Of course, in carrying out on-site inspection there can be circumstances when in the area designated for inspection there will be some object of defence importance. Naturally in such a case it will be necessary to take appropriate measures which would exclude the possibility of causing damage to the interests of security of the state on the territory of which inspection is carried out. In this respect I fully agree with the considerations expressed in your message.

Mr. President, in your message you suggest that our representatives meet in New York or in Geneva for a brief preliminary consideration of some of the problems you touched upon. We have no objections to such a meeting of our representatives. The Soviet government for that purpose appointed N. T. Fedorenko, the U.S.S.R. permanent representative to the United Nations, and S. K. Tsarapkin, the U.S.S.R. representative to the eighteen nation disarmament committee, who could meet with your representative, Mr. William C. Foster, in New York on January 7-10. We proceed here from the assumption that meetings of our representatives should lead already in the very near future to agreement on questions still unsettled, so that upon the re-opening of the eighteen nation committee session, our representatives could inform it that the road to the conclusion of an agreement banning all nuclear weapons tests is open.

Sincerely,

N. Khrushchov.

HOUSE OF COMMONS

Tuesday, January 22, 1963

The house met at 2.30 p.m.

BUSINESS OF THE HOUSE

STATEMENT ON LATE DISTRIBUTION OF "HANSARD" FOR JANUARY 21

Mr. Speaker: Hon. members may have noted that they have not yet received their copies of *Hansard* which should have been delivered this morning. They will be delivered later this afternoon. However, I might point out that *Hansard* for yesterday is more than twice its normal length as a result of the accumulation of answers to questions and of certain statements which were printed as appendices.

In connection with answers appearing in *Hansard*, it has been drawn to our attention that yesterday there was one answer printed which covered almost 12 pages, set up in special type. I, of course, am not in a position to judge the length of answers at the time they are handed in, but I think it would be good if those persons who are charged with filing answers to questions would watch this situation, because a lengthy answer of the type to which I have referred could quite easily be put down as an order for return tabled immediately. I think it would help all concerned if answers to questions to appear in *Hansard* in the normal course of events were reasonably brief.

VACANCY

Mr. Harry C. Harley (Halton): Mr. Speaker, I hold in my hand two orders in council appointing Hon. William Earl Rowe to be lieutenant governor of Ontario. I hereby give notice, pursuant to section 10 of the House of Commons Act, that a vacancy has occurred in the representation in the House of Commons for the electoral district of Dufferin-Simcoe, by reason of the said appointment of the member therefor.

ARTS, LETTERS AND SCIENCES

SUGGESTED ROYAL COMMISSION TO STUDY CANADIAN CULTURAL SITUATION

Right Hon. J. G. Diefenbaker (Prime Minister): Yesterday in answer to the hon. member for Laurier I said I would be making a statement today regarding the convening of a dominion-provincial conference. I want to point out that I am not yet ready to make that statement, although I did say yesterday I would make it. As soon as I am ready I will make it, and the hon. gentleman and members of the house will be notified in advance.

Hon. Lionel Chevrier (Laurier): It will be awaited with interest.

INTERNATIONAL LABOUR CONFERENCE

TABLING OF TEXTS OF INSTRUMENTS ADOPTED

Hon. Michael Starr (Minister of Labour): I wish to table the bilingual texts of the instruments adopted at the 46th session of the international labour conference held in Geneva, Switzerland, in June 1962.

The Canadian delegation, consisting of government, employer and worker representatives, was headed by the deputy minister of labour. The conference debated at some length the report of the director general of the I.L.C. which was centred on this occasion mainly on the subject of older people in work and retirement. Among numerous resolutions, one was proposed by Canada. This dealt with measures to strengthen research in the labour field both nationally and internationally, and was adopted unanimously by the conference.

The four instruments tabled herewith are convention 117 on basic aims and standards of social policy; convention 118 on equality of treatment of nationals and non-nationals in the field of social security; recommendation 116 on reduction of hours of work, and recommendation 117 on vocational training.

An attached letter of October 24, 1962, states that the Minister of Justice is of the opinion that the subject matter of each of these instruments is partially within federal legislative jurisdiction and partially within provincial legislative jurisdiction. According to the usual procedure I am asking my colleague the Secretary of State to send a set of these instruments, together with the justice opinion, to the lieutenant governor of each province, with the request that they be placed before the competent legislative authority in the province for consideration. At the federal level, the Department of Labour will study the subject matter of each instrument in consultation with other departments concerned and will consider what further steps are feasible in this connection.

Inquiries of the Ministry

Mr. Speaker: The Minister of Labour seeks leave to table the documents to which he referred in his statement. Is it agreed?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

DEBATE ON FOREIGN AFFAIRS AND DEFENCE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister a question arising out of his statement to the house yesterday regarding the order of business for the rest of the week. Having regard to that statement and also to certain statements we on this side have received from other government sources which do not seem to be completely in harmony with what the Prime Minister said yesterday, may I ask him whether he will confirm today that the external affairs estimates will be called on Thursday to permit of a debate on foreign affairs and defence on that and subsequent days?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, there is no confirmation required. That is what I said.

INQUIRY AS TO REQUEST FOR INTERIM SUPPLY

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Minister of Finance, in view of the fact that yesterday he gave us to understand that he would be asking for interim supply some time this week. In the light of the statement made by the Prime Minister yesterday, when now does he propose to ask for interim supply?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I am not able to give a definite date when I will be asking for interim supply. However, it will not be this week. I would suspect that it will be some time next week at a convenient date, after discussion with the house leaders and the government.

GRAIN

WHEAT—INQUIRY AS TO FINAL PAYMENT ON 1961-62 CROP

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. I wonder whether the minister could inform the house when farmers may expect an interim or final payment on the 1961-62 wheat crop.

[Mr. Starr.]

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I had conversations with the chief commissioner of the wheat board on this subject last week, and I expect that he will be writing a letter to the government in the next few days suggesting when the pool be closed and when the payments will be made.

PUBLIC SERVICE

PROVISION OF ADEQUATE STAFF FOR AUDITOR GENERAL

On the orders of the day:

Mr. Walter L. Gordon (Davenport): Mr. Speaker, I should like to address a question to the Minister of Finance relating to the Auditor General's report for the year ending March 31, 1962. Has any action been taken to provide the Auditor General with the staff he requires in order to carry out his responsibilities to parliament?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, the Auditor General spoke to me some time ago with respect to the necessity of augmenting his staff, and suggested that it was a matter with which the Minister of Finance should deal by virtue of a certain section of the act. After consultation with the civil service commission it was decided that the matter should be left with the commission for the time being. The civil service commission is, I believe, dealing with the matter; and, of course, this question comes under the aegis of my hon. friend the Secretary of State, and any questions on that score should be referred to him.

TRANSPORT

RAILWAY BRANCH LINES—DATE OF MEETING WITH PRAIRIE PROVINCES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. I understand that the proposed conference between the federal government and the governments of the three prairie provinces has been postponed. May I ask the Prime Minister whether any date has been set for a meeting with the prairie provinces on the question of railway abandonment?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, yesterday in the course of the statement I made I referred to the fact that the meeting would be held on the 28th; next Monday, in any event. The meeting will be convened in Ottawa with the

premiers or representatives of the three western provinces in order to have presented to the government the views of the governments of those provinces in respect of the question of abandonment, and the like. So far I have had an acceptance from two of the premiers; the third has not as yet replied whether or not that date will be satisfactory.

Mr. Hazen Argue (Assiniboia): A supplementary question. I wonder if I could ask the Prime Minister whether he has had a communication from certain organizations requesting that legislation which may be introduced in the house this session on this subject be deferred until after the scheduled February 5 meeting with the cabinet?

Mr. Diefenbaker: Mr. Speaker, I read some observations of the hon. gentleman with regard to the dictatorial attitude of the government in this regard during his absence from the house. Yesterday, however, I referred to the fact that we had been in communication with the premiers of the provinces and had advised them that the legislation would not be introduced until they had had an opportunity of presenting their views.

Mr. Argue: Mr. Speaker, I have a further question. Can the Prime Minister say whether this statement also applies to the Saskatchewan farmers' union and the Saskatchewan Urban Municipalities Association in relation to their February 5 meeting with the cabinet?

Mr. Diefenbaker: Mr. Speaker, I do not intend to go any further than I have gone in this regard. The premiers of the provinces will be here. I have always found that they fairly well represent the views of their respective provinces.

FINANCE

INQUIRY AS TO REMOVAL OF IMPORT SURCHARGES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Trade and Commerce. In view of his recent statement that the surcharges on imported goods would be removed very soon, and in view of the financial hardship being inflicted on many retailers in Canada because of this uncertainty, can he explain to the house or define the meaning of the words "very soon"?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, as the hon. member well knows, the word "soon" is a relative term.

TRADE

WHEAT—INQUIRY AS TO PAYMENT BY CHINA

On the orders of the day:

Mr. C. O. Cooper (Rosetown-Biggar): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. In view of conflicting reports regarding payment for our wheat under the Chinese wheat agreement, can he tell us whether the Chinese are still honouring their obligations up to the present time?

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, the hon. member for Rosetown-Biggar was good enough to send me a copy of his question. It just arrived after I came into the house.

Some hon. Members: Oh, oh.

Mr. Hamilton: I shall have to tell the hon. member that I will take this question as notice and will inquire from the wheat board.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I wish to explain to hon. members that I felt that this question did not have urgency of immediate reply but that it was on the same subject and about in the same vein as the question asked by the hon. member for Assiniboia (Mr. Argue) and the two in a way balanced out.

POWER

COLUMBIA RIVER—REQUEST FOR STATEMENT BY MINISTER

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I should like to address a question to the Minister of Public Works. Before he leaves his exalted position in the chamber would he be prepared to make a detailed statement on the Columbia river treaty, such as those he has been making on the hustings out in British Columbia?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, at the appropriate time I should be very pleased to discuss the Columbia river treaty in the House of Commons.

Mr. Byrne: I have a supplementary question. Does the minister not believe that the appropriate time is now, before he leaves this chamber?

Mr. Speaker: Order. I think the supplementary question is more a commentary on the answer that was given.

Inquiries of the Ministry

POST OFFICE DEPARTMENT

FORT ST. JOHN, B.C.—REPORTED FAILURE TO REINSTATE EMPLOYEES

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the Postmaster General. Has the Postmaster General received complaints recently with regard to the failure of the department to reinstate a number of post office employees at Fort St. John, British Columbia? If so, what action does the minister propose to take?

Hon. Ellen L. Fairclough (Postmaster General): Mr. Speaker, the answer to the first part of the question is no.

[*Later:*]

Mrs. Fairclough: Mr. Speaker, on reflection I think I should correct the answer I gave the hon. member for Vancouver-Burrard, because it now seems to me I did receive some representations, but they were so long ago I had forgotten about them and no action is contemplated.

EXTERNAL AFFAIRS

COLOMBO PLAN—SUGGESTED INCREASE IN CANADIAN CONTRIBUTION

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Will the minister be good enough to indicate to the house whether the government has received any requests for an increase in Canada's contribution to the Colombo plan?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I have had a very few letters on this point, but nothing of any great significance.

NUCLEAR TESTING—POSITION OF CANADIAN GOVERNMENT

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Secretary of State for External Affairs if he has anything to add to what he has already said outside of the house with regard to the nuclear test discussions in Washington.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, if the hon. member for Essex East had been here yesterday he would have known I made my statement not outside the house but right here in the Commons chamber.

Mr. Martin (Essex East): I am surprised that my hon. friend takes offence, particularly with me. May I ask him the question again, based not on what he said in the house but what he said last night over the Canadian Broadcasting Corporation television facilities. Has he anything to add to that statement?

Mr. Green: There is nothing to add to what I said in the house yesterday.

Mr. Martin (Essex East): Do I understand, then, that the position of the Canadian government is that if the United States and the Soviet union cannot agree on conditions for the cessation of tests, the government of Canada feels that there should be no tests, whether or not such an agreement is arrived at?

Mr. Green: I am afraid the hon. member either did not hear or did not understand what he is supposed to have heard last night.

NATIONAL REVENUE

CAMPOBELLO, N.B.—REQUEST FOR 24 HOUR SERVICE ON BRIDGE

On the orders of the day:

Mr. S. H. Rideout (Westmorland): Mr. Speaker, I should like to direct a question to the Minister of National Revenue. What action does the minister plan in order to have the customs office opened on a 24 hour basis on Roosevelt memorial bridge at Campobello?

Mr. Speaker: Order. I think that question would be better on the order paper.

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR MEETING RESPECTING SECURITY INVESTIGATIONS IN UNIVERSITIES

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Justice. Has the minister refused to meet a delegation representing the Canadian association of university teachers to discuss certain activities of the R.C.M.P.?

Hon. Donald M. Fleming (Minister of Justice): No, sir.

Mr. Orlikow: A supplementary question. Could the minister indicate when he will meet the delegation?

Mr. Fleming (Eglinton): No, sir.

VOCATIONAL TRAINING

INQUIRY AS TO REPRESENTATIONS FROM PROVINCES

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to direct a question to

the Minister of Labour. Did the minister receive representations from the provinces concerning the federal-provincial technical and vocational training act and is the minister in a position to state his reply or that of the government to that brief?

Hon. Michael Starr (Minister of Labour): The answer to the first part of the question is yes; to the second part, no.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. S. P. Ryan (Spadina): Mr. Speaker, I should like to direct a question to the Prime Minister. Was the government's decision to purchase $700 million worth of nuclear vehicles from the United States "made in Canada"?

AGRICULTURE

REPORTED INTENTION TO CURTAIL RECORD OF PRODUCTION PROGRAM

On the orders of the day:

Mr. Lucien Lamoureux (Stormont): Mr. Speaker, I wonder whether the Minister of Agriculture is now prepared to reply to the question I asked yesterday regarding maintenance of the records of production services branch.

Mr. W. H. Jorgenson (Parliamentary Secretary to the Minister of Agriculture): Mr. Speaker, I have made inquiries of the department, and I am assured there are no plans to curtail or abolish the record of performance program for dairy cattle. The ability to accept new herds under the program is always limited by the availability of staff at a given period.

TREE FARMING—ASSISTANCE UNDER REHABILITATION ACT

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to direct a question to the Minister of National Revenue and Forestry, notice of which has been sent to him. Can the minister inform the house whether, under the new agricultural rehabilitation act, assistance is provided for tree farming?

Hon. H. J. Flemming (Minister of Forestry): I am very glad to give to the hon. gentleman all the information I can. The answer, in general terms, is yes. Of course the Agricultural Rehabilitation and Development Act contemplates that land use is subject to an examination of the land itself to determine the use to which it can best be put. However, on that basis the answer is yes.

OLD AGE PENSIONS

INQUIRY AS TO LEGISLATION UNDER PROPOSED B.N.A. ACT AMENDMENT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Is the government considering making known to the provinces the nature of the legislation that it would propose under the suggested amendment to the British North America Act respecting old age pensions in order to get consent from the provinces for making that amendment?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the request to the provinces was for their consent to permit the introduction of an amendment which would assure that the type of pensions we have in mind, contributory pensions with survivor benefits, might be implemented by legislation in parliament. My reading in regard to those things that have taken place in the past has been that that has not been the custom. While I am on my feet may I say that the statements in the press today that we intend to disregard the constitution in any way in connecion with this amendment have no foundation whatsoever.

Mr. Knowles: May I ask a supplementary question. Can the Prime Minister indicate, in view of this impasse, what action will be taken at this session with regard to an increase in the amount of the old age pension?

Mr. Diefenbaker: I have already pointed out that the attitude of this government is at all times to strictly respect the constitution. Any suggestion that we do anything in the nature of a short-cut is not a course which will be followed. We have no power whatever to secure the consent of the provinces to the legislation that we have in mind based upon an amendment to the constitution. I only hope that good sense will prevail and the provinces will consent to such an amendment so as to ensure that legislation of the kind contemplated by this government, and asked for by the people of Canada, can be brought into being.

Mr. Knowles: Mr. Speaker, I rise on a question of privilege. I am sure the Prime Minister either must have misunderstood my supplementary question or perhaps did not hear it. My supplementary question did not relate to what he would do about an amendment to the British North America Act. My question was, what would he do, in view of this impasse, about having an increase made at this session in the amount of the old age pension, a totally different question.

National Economic Development Board

Mr. Diefenbaker: In so far as increases in old age pensions and the like are concerned, that is a matter of government policy, and it is different from the question of contributory old age pensions.

LABOUR CONDITIONS

SUGGESTED REFERENCE TO COMMITTEE OF CRITICISM REGARDING STATISTICS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): May I direct a question to the Minister of Labour. Will the minister consider asking for a meeting of the industrial relations committee in order that it might investigate the serious charges concerning the statistics of the Department of Labour and the unemployment insurance commission contained in the current issue of *Maclean's* magazine?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, I have read that article in the current issue of *Maclean's* magazine, but it was not my impression that it referred to the subject the hon. member is bringing to my attention.

Mr. Knowles: I suggest you read it again.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Monday, January 21, consideration of the motion of Mr. Nowlan for the second reading of Bill No. C-87, to provide for the establishment of a national economic development board.

Mr. John R. Matheson (Leeds): Mr. Speaker, at the evening adjournment last night I had mentioned the importance—

Mr. Speaker: Order. I think it would be helpful to the hon. member if those members who wish to leave the chamber would do so expeditiously and quietly so that he can complete his remarks.

Mr. Matheson: Mr. Speaker, last evening I was suggesting that one of the important services of the national economic development board would be to assist Canada to find its way into an integration with its Atlantic allies under the ideas suggested in the second clause of the NATO treaty. This was something very important to my leader. It is something that was very important to Jean Monnet, architect of the common market, who feels that there is nothing more important now than the movement toward an

Atlantic community in which common institutions will be increasingly developed to meet any problems. Jean Monnet praises Britain joining the general movement toward a united Europe, something that even as we debate this matter today is in the shadow of doubt, perhaps, but nevertheless great things are happening in respect of Britain that we cannot fail to recognize.

Mr. Speaker, may I read one short paragraph from Jean Monnet's article published in *The Rotarian* of October, 1961. He says:

> That we have begun to co-operate on these affairs at the Atlantic level is a great step forward. It is evident that we must soon go a good deal further toward an Atlantic community.
>
> The creation of a united Europe brings this nearer by making it possible for America and Europe to act as partners on an equal footing.

The reason is not only to maximize the wealth of this Atlantic community itself. It is actually the preservation of the peace of all, and second to assure the generous contribution of this vitally important group of nations to the development of the underdeveloped countries. We find in Canada in this past year that an outstanding businessman such as William E. Williams, president of Procter & Gamble of Canada, recommends an economic union between Canada and the United States. Douglas W. Ambridge, president of Abitibi Power & Paper Co. Ltd., recommends a North American market involving Canada, the United States and Mexico, to serve as something of a magnet for the Latin American countries. Why? Because this is a clear step in the direction we must take toward forming some larger Atlantic integration.

We on this side of the house would have been very happy to have done this more directly with integration with Britain when the opportunity presented itself some years ago, but that opportunity was not seized and there must be other ways in which this great plan may still be realized.

We may ask is it possible to do such a thing with the United States. I will read to the house the words of President Kennedy in his July 4 message at Philadelphia. This time the president was not talking about George Washington or anything of that sort. He said:

> I will say, here and now, on this day of independence, that the United States will be ready for a declaration of interdependence—that we will be prepared to discuss with a united Europe the ways and means of forming a concrete Atlantic partnership.

It is not sufficient for the Prime Minister of Canada to nurse his wrath and prepare to gird his loins for a new campaign against the United States, against Britain or against anybody else. Surely our policy must be one of planning toward this larger world order

which could prove so prosperous and so important to Canada. Planning is the key word here. Claude Jodoin, in his New Year's message to labour, said "planning, it seems, is no longer a bad word". Then he went on to say:

—but time is running out. While other countries have been moving ahead Canada has been standing still. We cannot afford to let another year go by without taking decisive action.

On the other side of the coin are these words to the Investment Dealers' Association of Canada. On June 18, 1962 Mr. Neil John McKinnon, speaking of the need for intelligent planning in a speech entitled "Planning and Performance", said this:

The free competitive system of individual enterprise cannot flourish without a nourishing environment which can only be created and maintained by intelligent planning of the business environment by government.

We must not be afraid of shibboleths and shiver at the word "planning". We accept that Bill No. C-87 is a planning bill. It is true that the word "planning" does not appear—as was mentioned—in it, but what is indicated, surely, is the need for indicative planning, planning that is going to get business, labour and agriculture working together toward new adjustments, greater harmony and greater growth. Surely what we in Canada are really striving for is a bold new economic consensus. We know that in the past we have had important royal commissions. We have had the Rowell-Sirois and the Gordon commissions with penetrating substantive studies of the Canadian economy which proved of great importance in solving some of the problems we have already faced. It is unfortunate that many of the recommendations of the Gordon commission were not implemented, and to some extent have been thwarted and frustrated in the past several years.

In any event we feel—and this was one of the many recommendations of the Gordon commission—that there must be a continuing study of economic problems based on long range considerations. We heard engaging speeches last evening from the Minister of Northern Affairs and National Resources, who took us on a tour of the north, and an address from the Associate Minister of National Defence on the glory of France and the glory of this administration. But there remain problems that cannot be solved unless they are faced, and faced frankly. Some of them are new. The first new problem is the fact that in the four years from 1958 to 1961 Canada averaged over 6½ per cent of unemployment. Actually according to a minister of the Ontario government, Hon. Robert Macaulay last year, it was over 6 per cent. So we have, according to that authority at least, five years of over 6 per cent unemployment in Canada. In 1960 we had the most shockingly large figure of unemployment of any industrial country in the world.

Another new problem that we have to face is the fact that production per person in Canada declined between 1957 and 1961. If this is any satisfaction to the administration it is no satisfaction to any of us on the Liberal side. We had the prognostications of the Gordon commission to study with regard to where we should have been this past year. We should have been far ahead. Instead of that we have accumulated large debt per capita; we have produced record bankruptcies, and we still have this staggering rate of unemployment.

The final important point, Mr. Speaker, is the question of balance of payments. I submit that the questions of unemployment, growth and productivity are new problems with which this administration has failed to deal, but they inherited in part a problem that we knew something about, the problem of balance of payments. This calls for the most earnest consideration of long term principles. In this matter of the balance of payments I want to tell the house that in the last six years our obligations in respect of the goods and services we have bought from foreigners have exceeded by $6 billion the obligations owing to us for the goods and services we have sold to foreigners. We have settled these deficits by selling off our Canadian resources and Canadian owned companies and going into debt. I am quoting the words of a distinguished author, the hon. member for Davenport (Mr. Gordon). Bruce Hutchison asserts that we are alienating our heritage to the point where we are in jeopardy in Canada of actually losing our economic and political independence.

We do not believe for one moment that with the establishment of a national economic development board a cabinet can sit down and simply be told what to do. There is something that goes with this. Policy has to be provided, and policy has to be provided very shortly, by an administration that is able to face facts, study situations and take action, courageous action, and not just look the other way when difficult problems present themselves. I think that with the combination of the establishment of this kind of integrating board and a bold and courageous administration, one that is looking ahead to the long run and not just to the next general election, Canada could have a glorious economic future.

(Translation):

Mr. Raymond Langlois (Megantic): Mr. Speaker, I do not intend to speak at length on this bill which provides for the establish-

ment of a national economic development board. In fact, members on both sides of the house have done nothing else but depict the present situation in Canada.

Our Liberal and Conservative friends boast about what each of them has done but they did not say a word about what they should or could have done or what remains to be done.

After taking stock of the situation, we see that there is a lot that remains to be done because the Conservatives do nothing but criticize the Liberals for the way they administered the country prior to 1957 while, on the other hand, our Liberal friends blame the Conservatives for doing nothing to remedy anything they may have done wrong or failed to correct before 1957. It follows from all this bickering that after 22 years of Liberal government and a few years of Conservative administration, Canada is no better off.

Mr. Speaker, allow me to try and mention all the present economic anomalies and to find solutions, by suggesting we should perhaps proceed.

In all the statements made during this debate, Mr. Speaker, we have not heard one solution likely to settle the problem, except that taxation and tax increases have been mentioned.

Let us start with our natural resources which are the very basis of our wealth, here in Canada. The national economic development board could further develop our mines, our waterways and our forests, and through the Bank of Canada or exclusive Canadian credit, endeavour to develop our natural resources. In fact, it is useless to develop these resources through foreign capital, as the resources are finally no longer ours but belong to foreigners; in brief, it becomes foreign production for the benefit of foreigners. We should therefore stop begging foreign investors to develop our resources, because we find in the end that we are the ones being exploited by foreigners who come to live in our country at our expense.

Mr. Speaker, we have almost everything we need here in Canada. In our country, there are mines with unlimited resources. For instance, we have gold, asbestos and coal mines, and oil wells. How many Canadians would contend that those mines are being developed at present for the benefit of Canadians and with Canadian capital?

How many can claim also that Canada has full control over its economy? Not a single one, because it is a known fact that almost 80 per cent of our economy depends on foreign investments.

Mr. Speaker: Order. I am extremely sorry to interrupt the hon. member, but the hum of private conversations going on makes it very difficult for me to hear the hon. member who is speaking at the other end of the house. I would ask hon. members to lower their voices if they have to keep on talking among themselves.

Mr. Langlois: Thank you, Mr. Speaker. It is unfortunate that some members will not listen to the solutions offered them, because afterward they have to wrack their brains to find some.

How can we develop our forests, our mines and our tourist industry through the Bank of Canada?

There is nothing more strange than to hear foreign tourists ask us: "How do you like our new set up?" They gaze at Canadian undertakings and simply say to us: "How do you like our new building?" Please note that they say "our" building, because they themselves come to this country to build with their own funds, while we are inviting them to visit us. They do come, but they come to visit their own buildings.

Let us get the Bank of Canada to supply the credit required for the construction of the buildings we need and for the development of our natural resources.

Mr. Speaker, if we want to be logical in this country, let us start from this point: if our credit is based upon the wealth of our country, our natural resources, our production, let us also base our credit on our natural resources and our production. There is no difficulty there. The more we produce, the more we need the required credit. Let us stop taking that credit from the same pockets, the taxpayer's. Let us go where it should be taken, to the Bank of Canada, to balance the Canadian economy, instead of kneeling before foreign financiers.

That would amount to the same thing, it would still be credit, but it would be Canadian credit.

The national economic development board could do that, it could then control the situation and determine the amounts required for any economic development in Canada.

The Bank of Canada would be the body from which credit would come for any economic development that would take place in Canada, for instance.

We do not want any dictatorial control from the government.

Yesterday we heard about planning from one side of the house. We were even accused of being in favour of it since the hon. member for Red Deer (Mr. Thompson) was said to advocate planning. Let me remind the hon. member for Rimouski (Mr. Legare) of the exact words uttered by the hon. member for Red Deer while talking about planning. He said that he supported the kind of planning which would allow us to work together and not the type which would force us to work together. These are two different things: one which allows and the other which forces us. The meaning is entirely different.

If our hon. friends opposite wish to talk about planning in terms of economic guidance, very well then, we are with them. But if they mean a control which would tell us, for instance, "You will not do that" or "You will not produce this commodity any more", it is not the same thing as to say "We advise you not to produce this commodity any more".

One can play around with the word planning. No one in this house would like to be dictated to, hobbled or controlled.

We want a maximum of freedom and security. Let us choose economic guidance and put aside the terms planning, plans and more plans or what have you. So let us set up something that would get us to work hand in hand.

I heard someone say on the government side yesterday that what was sought was a mutual agreement between the leaders and the people. Very well. But how could there be such an agreement when one person only controls the big end of the whip, for instance? In that case, there could be no such agreement. If "planning" is used in the sense of economic guidance, that is all right. But if it means government control, we were not elected to this house to come here and dictate, to control or impose anything on the Canadian people, in the economic or in the financial field.

We are the servants of the people. The first man who will go to a riding and say: I came here to impose this or that will be defeated at the next election and he will have only himself to impose upon, at home and in peace.

We are the servants of the people to work with them, to guide them and lead them. That is why we are for guided economic development and not for planning. We are not here to force planning on anybody.

Mr. Speaker, the hon. member for Rimouski made quite a trip yesterday. He went around the Gaspe peninsula like nobody else ever did. He mentioned the Conservative party which has not yet succeeded in building its railroad in the Gaspe peninsula. He made a good effort. He has come to realize that there are needs. Very well. I congratulate him. However, he has not found one solution, he has not made any suggestions but—

An hon. Member: Taxes.

Mr. Langlois: Yes, he can levy taxes. That is a thing the present government can be blamed for. All you mention when you talk about Social Crediters is a machine that prints money over and over. We advocate an advancement machine, but you favour a backing machine, because you have a machine for taxation, the same one for 92 years, which continually empties the taxpayers' pockets. But the people have no more money. And if you go on like that, they will soon have no more pants left and no pockets for you to empty.

A national economic guidance and development board would enable our municipalities and school boards to take advantage of our country's wealth. Such a board would be helpful to industry in our communities.

I am thinking for instance of the Megantic area, where the world center of the asbestos industry is located. This natural wealth laboriously dug out of the earth by our own people is almost entirely shipped across the border to the U.S.A. to be manufactured into goods which later on find their way back to the shelves of our retail outlets and which cost three times the price of the raw material. We deplore the fact that this Canadian production must be manufactured abroad. Something is wrong with our administration. This is surely not the kind of administration advocated by the Social Credit party. The fact that our products have to be exported beyond our frontiers to be manufactured is most unfortunate. However, this has been going on for years. The same thing applies in western Canada as regards certain oil wells.

National Economic Development Board

What else could come out of a national economic development board? Such a board would enable us to increase our labour force in Canada.

It is rather disheartening to hear about full employment, about unemployment and hardships, but nothing about production. I do not believe in over-all full employment, but I do believe in maximum employment. With that, we could at least go much further than we can with what we have today. There is no justification, in a country like Canada, for unemployment as we have it today. There is no reason for all the hardships which are to be found today.

We need economical guidance to avoid such situations. Let us develop our own mines, and natural resources; we have the required labour force, and we would then be able to get more out of our exports. These products must be good, since foreigners come to get them before they are processed. If they are good for them, they will be good for us, and the profits earned will remain in Canada.

Then, we can talk about Canadian production, about goods produced by Canadians and consumed, first of all—since they are in great need of it—by Canadians; any surplus could be exported. But, Canadians will first benefit from their own production, they will be contented and happy to live in a country where unlimited natural resources allow them to live as honest and honourable citizens.

The present situation is tragic because there are strikes in several areas. Salary increases are being sought everywhere. Why? Because the House of Commons cannot manage to find a solution. Canada's capital is always the target, on account of parliament, and it is from the House of Commons that solutions to our problems must come, and not only measures to increase or multiply taxes.

We could take the path, as some are doing now or have done in 1940, towards war in preparing our defence. Yes, at that time, our economy was geared to war production, and today there is talk of stocking nuclear weapons. There is even talk of stocking them on our soil.

I wonder whether the wife of the Leader of the Opposition (Mr. Pearson) shares his opinion. Has she handed her resignation to the Voice of Women or to the Leader of the Opposition?

Mr. Speaker, once again the solution already put forward in 1940 and in 1942 is suggested to us: war. The same party, the Liberal party, the war party, so to speak, once again is proposing war. In the 40's: mobilization; in the 50's: the Nobel peace award; in the 60's: nuclear weapons; and perhaps the Leader of the Opposition expects to get the Nobel prize again in 1970.

If we develop our natural resources and gear our economy to peaceful rather than warlike objectives, we shall leave our children and future generations something of which they will have reason to be proud—

An hon. Member: He is one of your chums.

Mr. Langlois: —an income—you were here 22 years ago—guaranteed by a country which would show promise for the future. But what guarantee will stocking nuclear weapons and gearing the country to war, give us, except perhaps, the capacity to blow ourselves up at anytime?

If the Liberal party has no other proposal to make than to suggest war, it might as well remain in the opposition. At least, in that role, it can only talk and put its foot in it. Besides, we have seen the success it has achieved across Canada. I do not think that the national economic development board would gain anything in the hands of the Liberal party, because the latter would only use it with a view to stocking nuclear weapons.

As soon as a solution is sought, the Leader of the Opposition goes to Washington to get it. It might perhaps be preferable for his opposite number in Washington to come here, and for the leader of the Liberal opposition to take his place in Washington. Then at least we would get our solutions at once.

The Conservative party is somewhat uncertain perhaps. Could it be waiting to see what the Social Crediters will put forward? However, I would advise its members to work for peace and to guide our economy towards the development of our natural resources which are our most important source of wealth. It is not our population that makes us rich, there are only 18 million Canadians, and in that sense we are in fact one of the poorest peoples in the world.

But we have, in Canada, something which, per capita, is not to be found anywhere else in the world, our natural resources. But with the administration we have had for 22 years, those resources have only brought us taxes and debts.

I was listening yesterday to the Minister of Mines and Technical Surveys (Mr. Martineau) who said that we were enjoying very great

economic stability. I hope it is true and he was not referring to the stability we had been "enjoying" until June 18, since in that case we could very well awaken tomorrow morning to find that we have to walk in our stocking feet for quite a spell.

Let us hope he was sincere in saying that we were enjoying great economic stability—

Hon. Paul Martineau (Minister of Mines and Technical Surveys): Mr. Speaker, on a point of order, in view of the fact that I was being quoted by the hon. member I should like him to bear in mind that I was quoting a statement by the President of the United States to the effect that of all countries in the world, Canada was enjoying the greatest economic stability at the present time.

Mr. Langlois: I trust the President of the United States is better aware than we are of the economic situation of Canada because the fact that you ascribe to him your assertions shows that you are not quite certain whether there is any economic stability in Canada. You would be better advised to get some information first and then tell us what our economic situation is.

If our economy is stable, let us keep it that way. Instead of bragging about your achievements, you would be well advised to look to the future and show us the way.

As for the Canadian people, if you provide them with jobs and open up new expansion vistas so that they may prosper on Canadian soil instead of crossing the border, they will be willing to help you in all matters which are beneficial to Canada.

If, however, your efforts serve the exclusive interests of the United States, Canadians will refuse to follow you.

An hon. Member: Give us white berets.

Mr. Langlois: No, no white berets. Before thinking of headgear, you should have a head on your shoulders.

Mr. Speaker, Canadian citizens who are aware of our development potential and of our achievements to date, surely feel rather surprised when they think of all our resources. As our expansion possibilities seem to be used exclusively for war purposes, Canadians may well wonder what kind of government is at the helm.

Instead of using our resources for warfare or for the storage of nuclear weapons on our own soil, let us try to produce for peaceful purposes. Let us produce bread and butter for the hungry people of Canada.

If unemployment figures supplied to us are accurate, the situation is intolerable in a country such as ours. We are justified in considering the establishment of an economic development board without delay. It should be set up so as to allow the production and use of our goods in the best interests of Canada.

There was no trouble finding the money required to manufacture weapons in wartime. Money was found to clothe our soldiers, to manufacture bombs and shells and even to stage an international slaughter. It is always found for that purpose. But now that the war is over, it is impossible to find money to feed those who are hungry.

What can our young people hope for today? The storage of nuclear weapons. But they never hear about an improved economic situation, or about new openings to enable them to earn a living or assistance to complete their studies.

A third of the population is wondering today whether they were born merely to starve or to pay taxes, and then to be deprived of work because of alleged overproduction.

Those people are denied work, they have no place in our country, they are even denied the right to live.

Mr. Speaker, can a young man who is turned down for a job three or four times in succession, after he has been out of school for over a year, have a good opinion of his country and of its leaders?

Mr. Speaker, I have been a school teacher and I know some of my pupils who, two years after having left school, had not yet set foot in a factory to work. When they apply for a job they are told there are no openings, that employees are being laid off rather than new ones hired. We then find ourselves in the presence of young people having neither work nor hope of finding any. What happens then? Some young people are put in jail for having robbed a bank, a store or a warehouse. How have they reached that point? Are they thieves, or are they lazy? Not at all. The fault is ours; we, the leaders of Canada deny them the right to earn a living honourably in a country which should allow everyone to live.

At present the economic situation of parents forbids them to keep five or six children at home in idleness. You say they are lazy. I know some of them are not. I could put up a poster advertising jobs, and 1,500 persons would turn up in one night—and I challenge anyone of you to undertake the task of answering the telephone. You would then realize they are not lazy, but that if such a situation exists, it is our own fault, since we are unable to correct it.

We refuse to provide jobs for young people coming out of school, yet we send them to school and tell them: "Study and your future will be assured." They come out of school with a fine diploma, but also with a $3,000 debt. When they come out of school, they are full of enthusiasm, but a year later that enthusiasm has abated after they have been denied the right to work, to find jobs which would permit them to live in Canada, like other Canadian citizens, as any citizen is entitled to. And this is why some of them are arrested for bank robbery. They were not born bad or robbers, but the present system drives them up that blind alley. They are brought before courts where they are sentenced to 10 or 12 years in jail. After having been denied the right to live, they are sentenced to 10 years behind bars with a pension. Let each hon. member think about his own riding and see whether this is not the case. And we call that juvenile delinquency. Now, middle-aged workers that we cannot afford to maintain behind bars, become part of what we call juvenile delinquents. There is also a group between 60 and 65 years of age: they are called the senior delinquents. The evil affects all classes of society. Is society itself delinquent? Are we going to say that all Canadian citizens are bandits? Come now. People want to work, they want to produce and earn their living honourably at home. The parents have certainly not raised their children to see them spend the rest of their days behind bars. Mr. Speaker, a sentence of 10 or 12 years in jail leaves marks on an individual, it brands him for the rest of his life. This man will be bitter towards society for the rest of his life because society has denied him the means to earn a living.

And that is called juvenile delinquency. If some youngsters rob banks, the father and mother are not to be blamed for it. I put the blame on our present system, on our economy which should have provided work for these young men, so that they might earn a decent living and have three meals a day. Those are essential rights and should not be forgotten.

Mr. Speaker, I hear laughter. I hope hon. members are cracking jokes with their neighbours, for the situation which is to be found today in Canada is most serious. Several of them know neither the young, nor the middle-aged nor the old people. Some who are sitting here do not know anybody except, perhaps, during the four weeks before an election. Then they know everybody. Whether they be thieves, robbers, old or young, everybody is their friend. They cultivate their good will during those last four weeks. Then, after having won the election, they forget them for four years, and do not see them any more.

Some of them are serious-minded, and some less so. Some are working for the people, and others for the financial interests. Some wear out the seat of their pants because they seldom rise to speak. There they sit and work for the financial interests or for their own interests.

We should never forget one thing: that financial interests which stifle the people today will stifle tomorrow those who serve them. The same can be said for any action we take today, because we will have to account for it tomorrow.

There are some bank directors and, indeed, there are all over the place people who are working for the financial interests and not for the people. If those financial interests would, at least, help society develop its natural resources and work in unison with the Bank of Canada for the benefit of the Canadian people, so that we could begin to consume our surplus production ourselves. Let us start by giving the world the means of obtaining food instead of giving bombs as was done during the last war. It is all very well to be independent, but if you want peace, do not prepare for war.

An hon. Member: That is not what Caesar said.

Mr. Langlois: I shall conclude my remarks by saying that if the national economic development board uses Canadian finance to develop our Canadian natural resources, which are the wealth of this country, so that we have a completely Canadian production, one could say then, in all sincerity, that Canada belongs to Canadians, and then Canadians might rightly say: "We are proud to live in Canada because we are working for ourselves and not for foreign countries that may some day let us starve".

(Text):

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, during the time available to me today I want to make three points. The first is that planning on a national scale is a necessity. The second is that such planning should be carried out essentially in human and not in monetary terms. The third is that effective co-operation between management and labour in this country will only come about if we have inspired leadership from government. This is evident to all.

As far as planning is concerned, I believe we have no choice because the business of government has become far too cumbersome, far too all embracing. Fifteen per cent or one in seven at least of the people employed in this country are working in the civil service. Roughly one third of our income is taken away from us in taxes. Government, by taxing us and influencing us in this way, is undoubtedly having a great deal to say about how we work and whether or not we prosper.

Government obviously then must be interested in looking ahead and planning intelligently. But it must do more than plan intelligently. It must also inspire industry, management and labour in this country. It can inspire them in various ways but one of the most effective ways, I contend, is to prepare competent forecasts of what is likely to happen assuming no change in present policies. If the results compared with the forecasts do not measure up to our fond hopes, then new targets must be established and these targets must be broken down so that they are understandable to industry and so that our various industries can themselves plan more intelligently.

In other words, it is a problem of communication. The government should not only know where it is going but should indicate where it would prefer to go and let industry, management and labour, working together bring about the desired results.

I have used the word "planning" throughout my comments so far. I believe in planning. We all believe in planning. We all believe in looking ahead and attempting to correct trends which we do not like and avoid results which are undesirable to us. But planning in my view, and this is important, comes second to freedom, particularly freedom of the individual. Plans, particularly specific plans laid down by government, must give way where they impinge on the freedom of the individual, the freedom of groups of individuals to go their own way and make their own livelihood as they see fit.

This planning must certainly be adapted to Canadian institutions. In my view planning at the top government level should be carried out by ministers of the crown. So far as economic affairs are concerned, I believe there should always be a continuing committee of the cabinet on economic affairs. I also believe that this cabinet committee should not be dominated by, or consist solely of, the Minister of Finance. If there is anything in the Social Credit philosophy in which I concur it is that money is essentially a tool. Our monetary affairs must be managed so as to make effective our plans for a better life, greater production and more jobs.

To me the Minister of Finance personifies the man who has control of money. He is holding the reins, and often he is putting on the brake. Certainly he is not the man in the cabinet to put the case for growth. He is not the man in the cabinet to put the case for humanity in the sense of more jobs. In this respect I am more impressed by the arrangements in the United Kingdom. The national economic development board, or "Neddy" as they refer to it in the United Kingdom, has on it not simply the minister of finance but Mr. Industry, the secretary of the board of trade, and also the minister of labour.

Mr. Martin (Essex East): Is the chancellor of the exchequer not the chairman?

Mr. Davis: Yes, the chairman is the equivalent of our Minister of Finance. Therefore you have at the highest level in the cabinet not only a representative of monetary affairs in the country but also representatives of industry and of labour. I believe that in effective planning at the highest level in government we must follow this course and must hear not only the voice of those who look at our problems in monetary terms but also the voices of those who look at our problems in terms of getting the economy rolling more effectively and putting people to work in jobs where they can improve their efficiency, their income and their welfare.

We had this situation in the late 1940's and the 1950's in this country. We had a minister of industry and a minister of labour as well as a minister of finance who took an interest in over-all economic growth and planning. As evidence of this planning we had such activities as the royal commission on Canada's economic prospects and its preparation of long term forecasts. We also had co-operation with industry. Evidence of that is to be found in the quarterly meetings of ministers, top level civil servants and business economists the latter representing the views of the various industries and of labour across the country. In other words there was machinery, admittedly voluntary, which resulted in an exchange of views and the trans-

mittal to industry and labour of the ideas of government as to trends and desirable courses of action. This worked, and I think we must return to an effective liaison of this type between government, management and labour in this Canada of ours.

What has happened since? The individuals concerned in those matters have largely been dispersed from Ottawa. Their advice is no longer available, with the result that these channels have largely dried up. I believe we should revive some such arrangement. I also think that this legislation, although admittedly a first step toward a national economic development board, should help us bridge this gap.

I believe there should be a secretariat to this cabinet committee on economic affairs. I believe its chairman should in effect have similar duties to those of the chairman of the proposed national economic development board. He should have around him a board of advisers. He should have under him a substantial staff, and this staff should be preparing long term economic forecasts.

In addition to that, having received instructions from the elected representatives or from the cabinet in respect of desirable targets, courses of action should be taken in respect of improving employment opportunities, correcting our adverse balance of trade with the United States, and so on.

I believe that some of the members of this staff should be acting as rapporteurs. They should act as secretaries for industry committees, committees substantially set up by the industries concerned. These committees should be composed of representatives of both management and labour. These rapporteurs, together with the representatives of industry and labour, will have their eyes lifted from the continuation of the relatively mundane activities of business to improving our national production, also by focusing their eyes on a common objective, that of improving our economy, they will thus be less inclined to quarrel about their differences; less inclined to argue between themselves in respect to wages, profits and so on.

I believe we have had at least one example of this type of thing in recent years. We had, first of all, the royal commission on Canada's economic prospects. Then as a result of the Borden commission a good deal of information was made available to government and to industry in terms of forecasts, particularly in respect of oil. The purchase of oil from outside our border has been one of the major causes of our imbalance of payments. We need to purchase more oil at home for our own consumption, and export more. This royal commission provided this sort of information. It provided a background against which the oil industry was able to do more effective planning. The government of the day took this information seriously and indicated to the oil industry what targets were desirable with regard to our international trade.

These targets, as I understand it, are in large part being met. This is a practical example of "indicative" planning, as the French call it, indicating targets to industry. After the target is indicated the industry bends its efforts toward achieving the target which is substantially in the national interest. If the targets are not met, other methods might have to be instituted by the government to ensure that such problems as the balance of payments are overcome.

Then there are the area boards. We now have an Atlantic development board. The area boards would learn a great deal from the deliberations of these various industry committees. I would envisage two or three dozen such committees publishing reports from time to time as to the prospects of particular industries and as to the changes which might be expected. The area boards could read these reports and understand what, conceivably, could happen with regard to a particular region of the country, what the possibilities were of a decline, an increase and so on, and when they were likely to occur. This would assist in the selection of alternatives for depressed areas, particularly areas of high unemployment.

We have, of course, in this business of planning, particularly in the execution of an effective plan, some rather difficult decisions to make. We cannot simply make forecasts. We cannot rely entirely on the prosperous, growing industries to co-operate, and then go along subsidizing or otherwise supporting the industries and areas which are in difficulties. The field of energy in this country represents roughly 10 per cent of our economy. We have industries which are growing in this field and industries which are declining. The oil and gas industries are expanding, and so is the production of hydro power. All the forecasts, however, indicate that over the next five or ten years the production and consumption of coal is likely to decline. Our governments, both national and provincial, say nothing or do not indicate otherwise. Certainly the policies they follow do not face up to the fact that not only are the requirements for coal declining but that the coal industry is not likely to make its way in competition with

other forms of energy and therefore the number of people employed will be diminishing in ten years' time to about half or 40 per cent of those now employed.

These are the probabilities, these are the trends which our national economic development board, supported by an able secretariat, would have to report. Certainly these are the trends which would be revealed by an effective board reporting publicly and effectively at least once a year.

In so far as energy is concerned at the present time, we have at least four separate departments concerned with that subject. We have the Department of Trade and Commerce concerned with oil and gas. We have the Department of Mines and Technical Surveys concerned with coal and the powers of the dominion coal board. We have the Department of Northern Affairs and National Resources concerned with hydro. We have, believe it or not, the Department of Veterans Affairs concerned with atomic energy. In my opinion none of these departments is represented effectively in the deliberations of this proposed national economic development board.

I think we should focus not only on the declining industries such as coal but on the future prospects of industries such as atomic energy. We have been spending currently about $20 million a year on coal subsidies of one kind and another. We are spending roughly $30 million a year on atomic energy. We have already put enough money into atomic energy in this country to build an oil pipe line from Edmonton to Montreal. In other words Montreal, in terms of economics, could be right next to the oil fields of Alberta.

We have decided more or less willy-nilly to go on pumping these tens of millions of dollars into atomic energy. Atomic energy is, perhaps, good for some parts of the country, but is essentially competitive with the resources of Quebec, British Columbia and other parts of the country which still have large untapped reserves of hydroelectric power. A national economic development board would certainly indicate that other priorities might be established in respect of subsidies and assistance for the energy industries. They would urge that by some means of adjustment we arrange that the emphasis be upon industries which are in the economic interest of the country rather than upon the ones which are either outmoded or may not be needed for some considerable time.

There are many other decisions which are difficult and which have to be made by the government, a government learning from the projections and deliberations of the national economic development board. The declining industries would be making people available who would have to be retrained for other jobs. Certainly the recent legislation with regard to industrial change and manpower adjustment is desirable in this connection. It can provide some machinery, but we should know in advance where these people are likely to be in surplus supply, what new skills are needed and how the people should be retrained. Only by looking ahead, revising our targets and establishing new targets, can we properly provide the direction and encouragement for those who are unemployed and those likely to need training as a result of great improvements in efficiency and productivity.

We have, in another area, the perennial argument between management and labour in respect of annual increases in wages, and so on. Managers, particularly managers concerned with finding export markets, will say, "Our productivity is only improving at the rate of 2 or 3 per cent a year. We cannot afford to pay more or we will be pricing ourselves out of world markets". Labour is inclined to be suspicious of this claim. But if we had an effective national economic development board complete with a capable secretariat, it would be giving industry and labour an indication year by year of the over-all upward trend in productivity gains. It would provide an order of magnitude of wage increases as a result of these improvements in productivity in the whole economy. Labour could certainly be pitching its demands more realistically in terms of wage increases, and management would have a better idea of where it was going, not only in respect of its domestic business but also its competitive position overseas.

Again, Mr. Speaker, with regard to scientific and industrial research, we do not do enough in this country. We should do more. Even with an increase in this type of expenditure we need to know where the emphasis should lie. In this connection government is certainly making the major outlay in this country. It should be placing those moneys into what in the future will be the growth industries, and not running counter to the mainstream of economic development throughout the world. One thing that alarms me very much in this mixed economy of ours, in which much of our income is generated by private enterprise, is that we tax private enterprise. On the other hand we participate, in the form of crown agencies and other government devices, in industries which we, by definition, say that private enterprise is unwilling, perhaps incapable, of carrying out. As a result we often find the greater part of government outlays going into industries which are declining, or certainly less efficient, and tend to restrict the more economic activities, those carried out by private enterprise, through taxation. This

is certainly a mixed up concept of how to progress and how to make our country more productive.

A national economic development board that was really doing its job would indicate where the real growth prospects are, where the great improvements in efficiency were possible. It would indicate to the government that while subsidies may be necessary in some industry or in some area for a period of time, these should be tapered off and eventually terminated. In this way we would not continually be getting deeper and deeper into the morass, making ourselves less efficient in ever widening areas of our economy.

There are various attitudes to planning. The attitude, generally speaking, of management is favourable. Most people would expect that the formation of a national economic development board would cause a good deal of opposition in business. But business at the management level is accustomed to planning. In our preponderantly free enterprise system we have a great deal of collaboration now in respect of planning. Through the industrial associations, for example, the results of forecasts and plans are published. Even cost data is now made available to competitors in substantial areas of competition. Industry, in the sense of management, is prepared to do this sort of planning and looks to government, and relies upon government and hopes that government will be more predictable on this front.

We see, in the case of France, for example, that management of industry largely took the initiative in the formulation of the national plan for industry in that country. Labour, on the other hand, at least through the voices of their more socialistic representatives, has tended to oppose plans through the management route. Labour in the United Kingdom, for example, has not been very enthusiastic about the establishment of the national economic development board in that country. It saw sinister implications; it saw management in some fashion directing, in perhaps collaboration with the government, more rather than less of the nation's economic affairs. Certainly the trade unions in the United Kingdom have been very suspicious of the formation more recently of yet another board, nicknamed "Nicky", the board which has to do with the establishment of a national incomes policy in the United Kingdom. The hope there is that by preparing general economic data a better measure of what labour and industry might reasonably expect, in terms of wage increases and profits, would be available. The unions have tended to be very cool to this particular board and its purposes.

I trust that in this country we can have better communication between government, management and labour in these respects and that labour will begin to look upon an effective national economic development board as its opportunity for a voice, not only in respect of direction, but accomplishment of the national targets which a far seeing board would set up for us.

Government, I believe, sets the stage. It needs a competent secretariat to give it a feel as to the current, long term trends. I believe our elected representatives should substantially say what is desirable and what is not desirable in the main, and in the broadest context should indicate what targets should be achieved. I believe that in this way government itself could be consistent in respect of its own investment policies; it could be more consistent in respect of tax policies in times of slump and in times of boom. I believe that industry, with management and labour working together and with this over-all information and instruction, can, industry by industry, plan more effectively its own future. Certainly it could be more productive.

Mr. Berger: Mr. Speaker, I wonder if the hon. member would permit a question?

Mr. Davis: I would prefer to finish, as my time is limited. I may have a few minutes left, and I will be glad to answer questions then. I believe that in this way we could have greater output, greater productivity, and this in turn would make possible higher incomes in this country. The consequence of higher incomes certainly could be broader welfare provisions without an increase in taxes. This is very desirable. It is the type of thing for which certainly the Liberal party is striving. It faces head on the problem of providing greater and more extended services to the public, and at the same time not increasing taxation and blunting the initiative of our people. This is very desirable and I believe it is possible with the proper type of democratic planning.

I want to return to the main points which I outlined at the beginning, Mr. Speaker. I believe that we need in this country a sense of national purpose. I believe that every one should be participating, government, management and labour, in this great program. I believe that to operate effectively a national economic development board co-operating with industry and with individual industry's boards set up voluntarily, working to indicated targets, can bring this about. We must take this board seriously. It is not ideal, but I think that in time it could perform a valuable function. I believe it could make use of,

and help to expand, our existing democratic institutions and I believe that by following this course of intelligent, democratic planning we can make Canada strong and free.

Mr. Berger: May I ask the hon. member a question? I believe he did not exhaust the time at his disposal. In the course of his address, one which I think all of us enjoyed, the hon. member referred to Liberal economic and monetary policies. He said the elected representatives of the people should advocate those policies which they deemed desirable. I was wondering if he could tell us what part in planning is played by that keystone of Liberal economic and monetary policy, debt free money?

Mr. J. H. Addison (York North): In any discussion of Canada's future economic development a number of Canadians will spend a great deal of time talking about how they pioneered this continent—and then they drop the discussion. I am not suggesting we should forget about those pioneer days, but what concerns us now is the present. I say "the present" because we can hardly think of the future until we have caught up with the present. The present represents the circumstances we have to face as far as our export products are concerned.

The first thing we have to do in this country is to acknowledge that we are now taking hesitant steps in a direction which has already been pioneered in Europe and in other countries. We have to consider economic development as the opportunity of this age. In other ages opportunities lay with war, exploration, scientific discoveries and inventions. But there is a different opportunity open to us in this country today and that is the opportunity of economic development. We must, therefore, get rid of the economic superstitions and illusions we have been cherishing and realize that we can no longer exist in this hard shell we have placed around our borders. We must realize that though we were prosperous once we now have to take drastic steps to find a place in this new economic era.

During the last war, Europe underwent almost total destruction. Today it has become the co-leader of the productive world. We in Canada have an opportunity of moving into this new age without suffering the type of disruption which Europe had to endure. We do not possess the advanced industrial development of some other countries and we are, therefore, in a position to change our course more easily. It is most important that we in this country should take this big jump—a leap which will shatter all the ideas of outworn economic theories. We do not have as many men with the skill and knowledge necessary for this development and accordingly we must train such people. This can be done as a result of assistance by our government. The western nations have shown us how, with economic assistance in investment and as a result, they have been able to rehabilitate their economies.

Under the terms of the bill we are now discussing the chairman of the proposed board can be appointed for a period of office of ten years. His responsibilities are set out, along with the duties of the board, in one of the subsections. This chairman could become the second most powerful man in our country. I would suggest to the government that he should report to a group of ministers in the cabinet, namely a new minister of industry, the Minister of Finance, the Minister of Labour, the Minister of Agriculture and the Minister of Trade and Commerce. The chairman should become part of this committee. In my experience, and in the experience of others, it is more efficient to have a chairman of a board of this type report to a select group of people so that those people may take the action which is necessary.

The national economic development board, if it is not to be just a phrase, must become the centre of our whole economic theory for this country. This is what the Japanese did after the last war and, as a result, they have become extremely successful. In short, with this national economic development board we are embarking on a new way of life, and the Canadian people, if they endorse this idea, must put everything they have into it. I say we must have Canada moving into gear. Let us not waste any more time than we have already wasted. The day of gradual growth is over. There are acquisitions and amalgamations. I suggest it is one of the great responsibilities of this board to set a standard for the yearly increase of productivity in this country. I think our first prime minister, Sir John A. Macdonald, had an outstanding idea in his national policy for economic development. None of us here anticipate a long life for this government and, therefore, it would prove an advantage if, in these days of minority government, we could get together as a parliament and adopt a Canadian policy. The co-operation of management and workers of which I have spoken comes about only as a result of prodding by the government. The new responsibility of government, of management and of the workers is the responsibility to work together for the national good, which, in the final sense, is the good of the individual.

All hon. members have, I am sure, read the report to the national productivity council of the mission to Europe. This is, in my opinion, the most outstanding achievement of this

council. The report made one important thing clear. While labour management and government co-operation was not the factor wholly responsible for Europe's economic resurgence, nevertheless co-operation was the core of this whole development. There were, of course, other important factors. We all know of the heavy investment of United States capital in those countries, of the new plants which were built and the new equipment which was installed. Moreover, in those countries wage scales were lower than in the United States. This was a vital factor because a wage incentive remained—there was always the possibility of more pay being given for more work. On the part of ownership and management there was appreciation of the fact that profits could not be unrestricted. Of course, no economic system can develop without profit because profit is needed for reinvestment. But no management or employer can operate a business at abnormal profits while asking labour to produce more for less or for the same reward. As I have already stated, we have to do this in order to compete in world markets, which means that we have to price our products on a world competitive basis. I am not suggesting that everything that Europe has done is right, but I am suggesting that we must compete with these people, and if we are to compete with them, we must compete with them on the same basis. In this country not only must we go into the second half of this century with a responsible and modern government-management-worker co-operation and with new export ideas; we also have to do other things. This means quite simply that we have to supply our own people with the tools to compete on world markets, and these tools are the languages, the customs and the real needs of our potential customers.

What have we really done along this line? The government's productivity council in my opinion was poorly conceived, and so poorly conceived that in its first year it lost its main managerial representative and its main organized labour representative. I do not think it is necessary to describe the work of the labour-management council because we are all familiar with it, but it is constructive to note how the British system works and how it could be applied to Canada. It is also interesting and important to understand the industry-wide bargaining between labour and management which is the case in Europe. What I should particularly like to point out is that in the European countries, or in a large bulk of them, management is organized much the same as labour is organized, thus creating a balance of power in which the government sits in the centre and acts as a referee. What we have to do in the national economic development board, and also what the government has to do in the national economic development board, is to get public opinion behind it. I think we all recognize and understand how very important this is.

Can we compare today the first 62 days of this session with the first 100 days of President Roosevelt's term of office in 1933? I have a note here which says:

> On Thursday, March 16, 1933, less than two weeks after his inauguration, Roosevelt asked the congress for a new federal concept for the American farmer—national planning for U.S. agriculture.

That was in 1933. This country and this government, if this idea is to work, have to do something dramatic, such as that which happened in Ontario with Sir Adam Beck and the hydro, or as Roosevelt did with TVA, or as the Egyptians have recently done with the Aswan dam, or as we Canadians did when the St. Lawrence seaway was conceived and placed into operation, when we decided that if the American people would not co-operate with us in this great project we would go it alone. I believe that we have to understand planning in its valuable, modern, capitalistic and free enterprise sense. The Prime Minister (Mr. Diefenbaker) said in the last election, as quoted in the *Globe and Mail* of October 25, 1961, that "the issue in the next election would be free enterprise versus socialism". I think we all realize now that this was not the issue in the last election and I doubt very much that it will be the issue in the next election.

It could be that a lack of any planning at the top is at the bottom of our economic troubles today. The essential factor in planning of this type is that it should not be put solely into administrative agencies, which are uncontrollable by their nature, but that the agencies work and be controlled within the framework of the parliamentary system. Governments can be put out of office, which is why any system of planning must be controlled by the elected representatives of government who can protect the national good. Economic planning boards or productivity councils appointed by the government should be presided over by a permanent secretary, but come within the jurisdiction of a national economic development council chaired by a minister of the crown, with other ministers as members and with representatives from industrial management, agriculture, trade unions and universities. What has to be done now in what eminent economists call the "break-through moment" is this. No longer can we look for gradual improvements. This

is a "take-off crisis", and there must be a leap in getting off the ground, which is the most difficult phase of planning. The initial leap has to be pushed and pursued, and it will be quite a time before it can, as in the European common market countries feed on itself. There can be no new economic development until at least one tenth of the national income over and above the investment needed to maintain a growing population at the same standard of living is put into productive investment.

We should also remember and should understand that industrial productivity for export and international trade is not our only consideration. There is a great deal of work yet to be done in this country in community services, such as highways, transport, communications, distribution and credit. We can learn one very valuable lesson. During the building of our railways in this country there was provided a major economic impetus to the economy. We used our Canadian talents and materials to this end, and we have by no means yet completed our transportation and communications systems across the country. We are now also up against the growing problems of extra people moving into urban areas because of higher and greater efficiency in farming areas. This is going to mean that these people must be retrained for more productive jobs. As we are preparing for a major economic change in development, we are going to be caught for a long time in a dilemma between not spending enough on our foundation programs, starving our economic development and conjuring up inflation by putting investment into unproductive, though sometimes popular, channels.

What I am going to say now does not make for political popularity, but it must be said in the interests of genuine and stable permanent development. We need jobs in this country and we need them very badly; but there is the danger of confusing the creation of jobs with economic growth. Uneconomic investment made to create what can be only temporary jobs depletes the country's resources. Unemployment is a danger certainly, and it is a terrible problem; but stagnation is more dangerous since it produces more unemployment.

I would therefore suggest that our economic planning must consider the direction of investment as well as the finding of capital. I would also suggest that our N.H.A. loans available to people in order to build homes should also be available to people in order to build factories, and in cutting the rate of unemployment which is recommended by this board, for the producing of products that can be sold competitively outside our country. We need capital and we need external capital. Europe and the Marshall plan is an excellent example. We must remember that we must not sell off all of our natural assets in order to acquire this capital. Most rate impetus in an economy is based upon the influx of foreign capital but this must be controlled, and it certainly was controlled in the case of the United States.

I should now like to discuss some countries such as Holland and Belgium. These are useful examples, I believe. Even as the minister pointed out, in creating this national economic development board we must remember our own particular problems. It is interesting to note that a small country such as Holland exports 50 per cent of its products and the great emphasis that is placed in that country upon a lower wage scale. However, this is accompanied by full employment. Wages in that country are increased only on the basis of productivity. However, they are only increased with the proviso that by increasing wages and prices they do not place themselves outside the pricing of world competition. There is a strong sense of friendship between labour, management and government in that country.

There is also the interesting case of Poland with respect to the production of agricultural products. These people have the ability and the land with which to produce wheat but instead of producing wheat in sufficient volume to feed their country, they import it. Poland has found it can produce more productive products which can be sold and which are more valuable to them, than is the production of wheat for their own consumption. This is the kind of thing that I suggest we in Canada must do. What can we produce for ourselves and what is most profitable to the Canadian people?

I suggest that we must take this leap into modern economic development in Canada. We must provide the leadership for voluntary cooperation for mutual improvement. We must employ new concepts for labour management relations with the government as a partner—and I am sure that all of us have the government as a partner—and I suggest as a partner and not as a big brother. We in this chamber have the responsibility of guiding and controlling the total destinies of capital, management and labour. We must abandon any isolationist ideas and understand that today we are part of a large international community. Most of all, we must have in this country a government which will look upon Canada not regionally but as a great nation among nations of this world.

National Economic Development Board

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, there have been made in this debate some interesting speeches to which members of this group have been very pleased to listen. While we were listening to these speeches I was reminded of the change of climate in this chamber over the space of a few years. While the group of which I am a member for years has advocated the necessity for planning in freedom to provide a measure of basic security for all Canadians, members of other parties failed to agree with them. It is not so long ago that one of the members of the free enterprise parties in this house rose in his place and stated that any member of this house who suggests planning is suggesting reducing the Canadian people to slavery. I therefore think we must take some credit for creating a climate at least that is willing to consider this idea, if in some instances only in theory.

A perusal of the minister's speech and an examination of the bill very carefully in the time at my disposal causes me to say that in my opinion on this occasion the minister has blotted his McCutcheon.

Some hon. Members: Oh, oh.

Mr. Nowlan: That is corny.

Mr. Herridge: The minister is such a kindly person that when speaking on the resolution preceding the bill he reminded me of the country doctor giving his patient a dose of soothing syrup and saying, "This may not cure you but it will make you feel a lot better". Without a doubt he is one of the most congenial and humane members of this house to man the ramparts of capitalism on this occasion.

I speak as a democratic socialist who believes that economic planning under the control of the parliament of Canada is the only alternative to the political dictatorship of communism and the growing economic dictatorship of monopoly capitalism. This afternoon there has been some reference to the question of freedom. The members of this group take this point of view with respect to the development of this economy because we believe in freedom. We do not believe that it should be the freedom of any Canadian to remain unemployed over a long period of months because his services are unrequired. The type of planning in which we believe is planning that places the responsibility for major policy in the hands of the people's representatives and not in the hands of the directors of a few corporations in Canada and not as now, should I say, in the majority of cases so far as large scale industry is concerned, in directorships held in New York and other large United States cities.

[Mr. Addison.]

With all deference to the minister may I say that in my opinion this legislation is merely political window dressing. We will support it because it represents an idea. It shows we are making progress. They even accept the word "planning" now, even though they do not take action in that direction. I think it is a sop to the current interest in planning and the demand for planning in many quarters—a legislative wind, shall I say, to direct this current of thought into safe free enterprise planning.

When I criticize this legislation or any other legislation for members of our group, we do not do it with the thought that other people, because they believe other things are more appropriate, are unprincipled or immoral. We are simply placing on record our point of view in this house. Our points of view are largely determined as a result of our environment, our experience and our willingness to consider these problems as a result of reading, association, contacts with others and so on. In my few remarks which are always brief from my point of view, I will endeavour to prove my contentions by comments on the minister's speech, on the terms of the bill, on some of Senator McCutcheon's statements outside the house, and by reference given to this legislation by the hon. member for Essex East (Mr. Martin) to the minister's remarks. I refer to his blessing on the principle of the bill. I am very glad he has returned to the chamber because I want to say a few complimentary things about him later.

I listened to the minister's speech very carefully and I thought it was very well put from his point of view. I also read it carefully. But I notice that this planning board will act in a very nebulous advisory capacity. There are no particular projects mentioned. There are no definitive suggestions as to the direction or approach that the board should take to our economic problems. There are no funds provided for any economic research in this direction or even research into projects rather than simply pure research into the mechanical aspects of economics. I do agree with the minister when he says that the aim is to provide a Canadian aspect to our development, rather than going in another direction; but after reading the terms of the bill I am afraid we will find that once again it is Canadian in name only, so far as major control of our economy is concerned.

I want to make a few comments on the bill and when the minister replies at the conclusion of the debate no doubt he will answer the questions I raise. We are very interested and have been for years in the proper development of our natural resources as the basis for the continued prosperity of

this country and the maintenance of a reasonable and decent material standard of living. What we want to know is, does the bill anticipate planning with the provinces for the proper conservation and development of our natural resources? That is basic to the development of our whole economy. We realize that there are problems in this connection, but in our opinion it is the responsibility of both the federal and provincial governments to co-operate in planning the conservation, development and utilization of our natural resources. If we fail to do that in the near future, possibly we will have lost the opportunity for all time.

Does this bill provide for planning to return the ownership and control of foreign investment to Canadian governments and to Canadians generally? That is a question we want answered. Does the bill anticipate the establishment of a national development fund to promote public investment and does it anticipate the mobilization of private Canadian capital? In this connection I want to refer to the pipe line, not the debate in the house and the abuse of the rules of the house by the government of the day but the opportunity that was lost at that time because the government then did not believe in public ownership, in principle. The former Liberal government lent a large American corporation $86 million, I believe, to build a pipe line across Canada. That $86 million should have been public investment, and if it had been the investment would be paying a good return to the Canadian people at this time.

Does this bill anticipate legislation to correct the balance of payments problem? If we do not correct it within the next few years we will remain in financial servitude to the United States. The balance of payments problem arises primarily from foreign investments. Does the bill anticipate promotion by the government of Canadian participation in ownership and management of foreign owned industries? That is the first step that has to be taken by government. Does it anticipate the conversion of shares into bond issues so that we can look forward in the years to come to paying off this indebtedness, as was done in the United States, as was done in Sweden and as was also done in Norway years ago? Does this bill anticipate the type of planning that provides a system of taxation of dividends that will give the Canadian government control over the various aspects of the country's economic development?

Does this type of planning anticipate regulation to ensure operation of private enterprise to the advantage of Canadian consumers and workers generally? Does it anticipate regulation that will make foreign owned industries conform to Canadian national policies with respect to export markets? That is something on which any government should take action in the very near future.

Does this bill anticipate the implementation of regulations that will prevent the hobbling of secondary industry by foreign owners? In that connection I should like to quote from the *Globe and Mail* of Tuesday, December 4, 1962. This situation is recognized even by persons who believe in the free enterprise system. The article from which I wish to quote is a dispatch from Ottawa under the heading, "Ottawa Viewpoint, Canadian Growth Lag Laid To Hobbling By Foreign Ownership", and reads in part as follows:

> A professor of economics at Laval University, Roger Dehem, has looked back over the past five years of what he calls Canada's stunted growth—

One would not have thought that if one listened to the Associate Minister of National Defence (Mr. Sevigny) last evening, but we all have different points of view.

> —and offers an explanation for its cause—the hobbling of secondary industry by foreign owners.

The article continues, quoting the professor:

> "I suggest that a basic factor inhibiting the growth of secondary manufacturing in Canada is not the smallness of the home market but the satellitic nature of most of our important firms," Professor Dehem asserted.

Then he goes on to say:

> "The Canadian market has thus been glutted with high cost, high priced and often inferior American products. The inefficiency that is inherent in this structure seems to be a main cause of our stagnation in the past few years."
>
> Professor Dehem charged that Canadian subsidiaries of foreign corporations are deliberately restricted to the domestic market rather than spreading out into world markets, and that high protection made them too inefficient to compete abroad.

No doubt this gentleman did not make this statement off the cuff. He has studied the question, and this is a problem that has got to be considered by those responsible to the government for a measure of report, shall I say, recommendation and so on with respect to planning.

I wish to make a few comments now with regard to the Minister without Portfolio whose name is Senator Wallace McCutcheon. I do so because, whatever happens with respect to the bill and whoever is chairman of the new board, we know that the grey eminence in the background will be this senator because he has been conscripted, I would almost say, to rescue the government from the economic morass into which it has sunk. I wish to quote from an article in *Maclean's* magazine

of October 6, 1962 by Ken Lefolli headed, "Can These Men Run Canada Better?" It reads in part as follows:

"Whether the Prime Minister has realized it yet or not, Wally McCutcheon's threat to resign is all he needs to win an argument with anybody in the cabinet, including the Prime Minister himself."

These are the words of a man close to the cabinet who has worked with both McCutcheon and Nowlan. His opinion is the same one held by many other men in the upper ranks of government and business.

"John Diefenbaker has to satisfy Wally McCutcheon or wreck the Conservative party with every businessman in Canada, once and for all" the same man says. "McCutcheon is smart enough to know he's got the lever, and tough enough to pull it."

The article goes on to quote a caption in the Toronto *Star* of September 30, 1957 which reads: "Praises Canada's Drift Toward Welfare State." The account of a speech McCutcheon had made to the Canadian Club follows. Relating to the vast expansion of government and voluntary health and welfare programs, McCutcheon said:

You might expect me as a businessman to denounce this whole movement... as a dangerous, if not to say, pernicious thing. On the contrary, I regard it not only as one of the greatest achievements of private enterprise—

You know, the achievement is to rescue the casualties of capitalism and keep them alive in the meantime.

—and a modern industrial society, I consider it necessary to the continued existence of both.

Now, there are two different conceptions of social welfare. The one is that it is based on promoting the continued existence of the free enterprise system that makes the welfare society necessary because it props up the free enterprise system. E. P. Taylor has suggested another explanation that takes into account not only McCutcheon's good will—I am not questioning the hon. gentleman's good will. I am sure if a neighbour met him on the way from the parliament buildings to Wellington street and he was starving, the hon. gentleman would give him two bits.

E. P. Taylor has suggested, as I have said, another explanation that takes into account not only McCutcheon's good will, but the more conventional economic motive of self-interest. Taylor is reported to have said, "What's good for Canada is good for Argus," when he was first asked to comment on McCutcheon's move, "and Wally McCutcheon is good for Canada". We cannot look into the future, and only the future can tell us whether or not that is true. Taylor's paraphrase of Charlie Wilson's statement, "What's good for General Motors is good for America", is less laughable than the original.

This afternoon one of our friends opposite in the Social Credit party made a very interesting speech. He showed the same concern as other members of this house with our economic and social problems. He was complaining of the system. I give the hon. gentlemen credit. I am sure their hearts are in the right place, but they see us through a glass darkly. I am sure the hon. member for Fraser Valley (Mr. Patterson) will like that scriptural allusion. He was also complaining about the system. He really wants a form of planning, but he will not use the word. He substitutes the word "orientation". I think that is a good exercise in semantics. He used the word "orientation" when he wanted planning and would not use that word.

However, I thought the hon. gentleman's speech and the approach by the sponsors of this bill clearly indicated that the planning they envisage will be very different from the planning we consider necessary to provide permanent economic stability for Canada. We do not overlook the difficulty. We are not suggesting there is some complete, overnight solution. We are suggesting a change of direction with regard to our approach to these questions.

Last evening, I listened to the Associate Minister of National Defence (Mr. Sevigny) with great interest. He talked about the prosperity that this government had brought to Canada. We find that in 1962 the profits of the major companies in Canada were considerably increased. I am not going to take the time of the house to deal with the figures. Possibly some other member of this group will. Profits were considerably increased. While Canada and Canadians generally are suffering certain economic disadvantages, and while small businessmen and workers are unemployed, including farmers and others, the profit ratio rose. At the same time we have something over 400,000 people unemployed at the present time.

At the same time, the minister said we have got to find ways and means of increasing production. They will not find a solution to this question until they accept their responsibilities as representatives of the people of Canada in this connection. I should like to make another reference to this question of planning and the approach of those who are now using the word. In the *Gazette* of December 11, 1962, there is a report of a speech by R. A. Emerson, vice president of the Canadian Pacific Railway. The article reads in part:

Master plan for economy is opposed.

C.P.R. Vice President R. A. Emerson of Montreal said Monday Canada needs to plan for the future but must avoid at all costs having its economic life ordered and predetermined according to a master plan.

He said:

I have interpreted the remarks of the Minister of Finance in the house to mean that the national

economic development board is intended to provide an advisory service and, more particularly, to look ahead, to detect the trend of things to come and to recommend policies for government to assist in achieving economic development.

The article reads:

Mr. Emerson said a planned economy must interfere with the normal functions of the market place.

What he means is, interfere with the normal decisions of the large corporations of this country. I think these remarks by this gentleman indicate that their approach to planning and the approach of this government to planning is opposed to ours. It is the same attitude as we have had towards planning in every direction. They are willing to have a measure of planning, provided there is no interference with the vested interests in this country.

I want to refer for a moment or two to the hon. member for Essex East (Mr. Martin) and to his support for the principle of the bill. I always listen with interest to the hon. member for Essex East when he speaks with his organ-like tone. He gave his blessing to the principle of the bill, singing seven-fold amens to the minister's statement on the principle. You know, he is an impressive speaker, the hon. member for Essex East. I remember a few sessions ago sitting in the house when the minister spoke for some 40 minutes. I walked out to the front entrance, and a gentleman from Texas went to the front door just as there was a clergyman coming in. The Texan went up to this clergyman and said, "Sir, can you tell me the name of this cathedral"? This illustrates that the hon. member for Essex East is such an impressive speaker he causes people to believe they are in a cathedral.

Why did this hon. member endorse the principle of the bill and then later on make some qualifying comments? The reason is that the party on the government side of the house and the party on the opposite side of the house, the Liberal party, both believe in the free enterprise system as practised to date. However, there are a lot of humane members amongst these parties and they are quite willing to spend a bit of money to rescue the casualties of this system. Now, those who feel that the progressive Liberals worship on the altar of free enterprise propped up by the welfare state—

Mr. Speaker: Order; I regret that the clock has imposed its sanction upon the hon. member and we must now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE BILLS

Mr. Nicholas Mandziuk (Marquette): May I ask the consent of the house to give precedence to item No. 373 on today's order paper, which stands in my name? This is Bill No. S-10.

Mr. Speaker: The hon. member for Marquette seeks unanimous approval of the house to advance item 373, which is the second reading of Bill No. S-10, to incorporate the Ukrainian Canadian Foundation of Taras Shevchenko.

Some hon. Members: Agreed.

SECOND READING—SENATE BILL

Bill No. S-10, to incorporate the Ukrainian Canadian Foundation of Taras Shevchenko.

MILDRED DAWSON MEAKINS

The house in committee on Bill SD-4, for the relief of Mildred Dawson Meakins—Mr. Mandziuk—Mr. Chown in the chair.

On Clause 1—*Marriage dissolved.*

Mr. Peters: Mr. Chairman, I should like to say a few words this afternoon on this particular petition. I should like to again point out to the committee that people in the province of Quebec are faced with certain problems that do not normally arise in the province from which I come. I think these problems are worth some consideration by the committee. In looking over the evidence of this particular petition I find attached a number of documents. There is the marriage certificate and several other documents, including a settlement by the Superior Court of the province of Quebec as to the maintenance of the children. I think there is strong evidence here that this is one of the things the committee should look into. However, I should like to refer the committee to the fact that attached to this petition is an additional document that sometimes is attached to petitions, though not very often. In this particular case it is a document that was tabled originally in the Superior Court of the province of Quebec, and it is a contract between the plaintiff and the defendant.

The marriage certificate is here. The marriage was registered in the church of St. Andrew and St. Paul, in Montreal, on June 8, 1939. There is also attached a document which is a contract in a legal sense. I think this warrants some consideration. We are all well aware of the fact—and this is something that we have deplored on many occasions—that in the province of Quebec women have little right to property. In the first place, this contract contains a stipulation as to the ownership by the lady of

property of her own, so that the property she brings into the marriage will remain her own. Therefore if something happens, this property will be under her administration and will be separate from the property of her husband. The second section of the contract, however, reads this way:

> The sum of $25,000 to be paid to the future wife by the future husband, his heirs and legal representatives within three months after the dissolution of the said marriage, with the right to him to make payments on account during the said marriage, either by investments in the name of the said future wife, by mortgage or hypothec upon or the purchase of immovable property, or in any other way.

It goes on to say:

> Should the said future husband during the said marriage become insolvent, the said future wife shall thereupon have the right to claim and demand payment of the said sum of $25,000 or any part thereof remaining unpaid—

The Chairman: Order. I am sorry to interrupt the hon. member, but the rule as to relevancy has come into play with respect to the quotation he is now making. I thought I should now caution him about the reference to marital settlements or to maintenance or disposition of any children of the marriage, because these are matters that are not within the jurisdiction of the federal government but are, rather, within the strict jurisdiction of the provincial government concerned, and are therefore not applicable or related to the bill which is under consideration.

Mr. Peters: Mr. Chairman, I would humbly disagree that they are not under consideration. The point I wish to make involves collusion. I say that this bill is not in the public interest, and it is not in the public interest because of the inclusion of this section in the contract. In this particular case I think it will be shown quite clearly that the incompetence of the other place, the committees of the other place and this house to deal with this particular matter—

The Chairman: Order. I am sorry to interrupt the hon. member again, but there should be no reflection on the other place at any time in the course of debate, as he well realizes.

Mr. Peters: Mr. Chairman, I would submit that I have not reflected on the other place, but just on our ability to handle legal matters, with regard to which we are not competent or equipped to handle. I intended no reflection upon the other place other than that.

The Chairman: Order. The word "incompetence" was used and that was the word upon which I rose.

[Mr. Peters.]

Mr. Peters: Mr. Chairman, this contract also includes this section:

> But it is further agreed that in the event of the future wife predeceasing the future husband during the said marriage, the said sum of $25,000 or any investments or payments which may have been made on account thereof, and also all insurances on his life effected or which may hereafter be effected for her benefit or payable to her, shall return to and be the property of the future husband, without the heirs of the future wife having any right therein or claim thereto.

I say that we cannot grant this divorce if it is established that it is against the interests of the nation. If it is against the principles of justice and the crown, this divorce cannot be granted. I suggest that in these cases the petitioner must call the defendant and prove that collusion has not taken place, because in this instance, for that one evening of adultery this woman has been paid $25,000. That is probably an even more expensive piece of seduction than happened in the days of Cleopatra. I suggest that this is not in the interests of the public, and there are laws and regulations under laws which indicate that this is so. I suggest that the burden of proof is on the plaintiff to show that this did not happen. Because this was an uncontested case we can only assume that when the woman went out and committed the adultery which resulted in this divorce action, she was being paid the sum of $25,000 for that adultery. I also suggest that it may be even worse than that. If we read this contract we find that the payment can be started before the divorce action takes place. It may be that there is an added inducement to commit adultery in order to accomplish the end that would result in divorce.

I have no objection, and I expect that most hon. members have no objection, to the fact that the first part of the contract is written in this way. It is the right of the province to decide how the disposition of property should be arrived at between its citizens, having regard to civil rights. But I think we must consider the interests of the nation and the public good, and the fact that you cannot make arrangement for an offence to be committed before the offence takes place. This is something that is well recognized by lawyers, who understand these things much better than I do. It is unfortunate that I have not the legal training or the knowledge that would allow me to cite the cases in which this principle has been established—

Mr. Crestohl: Mr. Chairman, on a point of order—

Mr. Peters: —but it is a fact that there are cases where separation agreements—

The Chairman: Order. The hon. member for Cartier has risen on a point of order.

Mr. Crestohl: Mr. Chairman, on a point of order, perhaps to enlighten the hon. member, notwithstanding his agitation about the document which he read to the committee, unfortunately the committee cannot consider it. That is a premarital contract. Whether the hon. member likes it or not, this is a premarital contract passed before the proper authorities in the province of Quebec and the house cannot pronounce itself one way or another in any manner which could affect that contract. It is a contract which deals purely with rights and properties within the province and for this reason I submit the hon. member is entirely out of order. If the hon. member has no other matter to raise, I suggest this should be pointed out to him, since the house has no jurisdiction whatsoever over this aspect of the question. I do not wish to pronounce myself as to the conclusions he is drawing. They may be proper or improper. The point is that if we consider them we would be dealing with a matter which is entirely within the jurisdiction of a province and, therefore, this committee should not pronounce on it in any way.

Mr. Scott: On the point of order, I should like to disagree with the last speaker and urge you to allow my hon. friend from Timiskaming to continue. I may say that I disagree completely with him and wish to urge the committee to support the bill, when I get an opportunity to do so.

The agreement to which my hon. friend is referring is an actual part of the evidence upon which the other place reached its conclusion with regard to the granting of this divorce, so I do not see how we could be precluded from discussing the evidence which was considered in the other place as a basis for the decision reached in connection with this bill. If we are not to be allowed to discuss the evidence, I think we are precluded from discussing this matter at all. I am sure any solicitor would take the view that in discussing the merits of the bill we are entitled to look at the evidence upon which a decision to pass it is based, and for that reason and also because a serious charge against these people has been made—a charge I intend to repudiate—I think the hon. member should be allowed to continue.

The Chairman: The committee has before it clause 1 of Bill No. SD-4 which reads as follows:

> The said marriage is hereby dissolved and shall be henceforth null and void to all intents and purposes whatsoever.

When there is a question of the administration of justice within a province and of a contract made within the jurisdiction of that province, a civil contract made under a type of law which is different from that which has application from the viewpoint of the federal government, I have great difficulty in accepting that as relevant in a discussion of a simple clause such as I have quoted. This is where I am finding my difficulty.

Mr. Peters: I am basing my argument on the contention that this divorce, if allowed, would not be in the public interest, in the same light as collusion or other things which are definite bars to the granting of divorce petitions. These documents are not documents which are solely in my possession. They are documents which are in the possession of the house. They are not separate from this particular divorce application; they are attached to the official documents and are part of them. I suggest that though collusion may have taken place in the province of Quebec where the law of the province of Quebec as to collusion or domicile applies, when the plaintiff appears before parliament asking for the divorce he must abide by the regulations which apply to the granting of divorce in the dominion of Canada under the legislation setting up the House of Commons and the Senate as a divorce court.

While I am not making any comment on this evidence as it relates to the property settlement, I am drawing the attention of the committee to this because it relates to what I would consider as being an absolute bar to the granting of this divorce, specifically the existence of conditions which would lead one to speculate as to what might have happened in the field of collusion.

The Chairman: The chairman and the committee of the whole are not bound by any admission or rejection of evidence by the other place or by another committee. If I were hearing the case myself, my view of a civil contract would be that this is completely extraneous. This view is prompted by the fact that there is no jurisdiction here for us to look at it at all, being a matter within the sole jurisdiction of a province. For this reason it appears to me that any reference to it is completely out of order as the bill is before the Chair in its present state. I am willing to hear more argument on the point but I might say this, that in many instances exhibits are filed before a committee which are completely irrelevant to the cause which that committee is trying to determine, which is, in this instance, whether or not there is evidence to support a decree under clause 1 of the bill before us.

Mr. Scott: With great respect, Mr. Chairman, surely on reflection that line of reasoning cannot stand up. You have here before

you a bill saying we should dissolve a marriage. Presumably the opinion has been advanced that it should be dissolved. In order for us to decide whether or not consent should be given to the passage of this bill, surely we are entitled to look at the evidence which was laid before the other place whose committee considered this bill in great particularity. Are you suggesting, Mr. Chairman, that we are not entitled to consider any of the evidence laid before the other place? I should be glad to hear just what you think we can and cannot discuss in measures of this kind.

As you well know, Mr. Chairman, even if there is evidence sufficient to support the passage of the bill, any member can raise what he considers to be a bar to the passage of the legislation, notwithstanding the existence of such evidence. Any court in the land will permit various issues to be raised in divorce matters which constitute a bar to a decree even if there is adequate evidence to support such a decree. That is what my hon. friend is attempting to do. He is saying that as part of the evidence properly admitted in the other place there is material which constitutes a bar to the passage of the bill, notwithstanding that there may be perfectly good grounds—and in this case I am satisfied the evidence is adequate. He wants to raise a serious matter in his mind which would normally bar the passage of this bill in an ordinary court if what he says is true. In these circumstances, Mr. Chairman, how can you preclude him from referring to the evidence upon which he must make his claim?

Mr. Peters: May I draw your attention, Mr. Chairman, to a passage appearing in Dominion Law Reports, Volume 3, 1957, page 321? This is the case of Woods *v.* Woods which was heard before the Ontario supreme court (Mr. Justice Rose, J.) on April 22, 1927. The heading is: "Divorce and Separation VIII—Separation agreement—Founded partly on illegal consideration—void."

A separation agreement founded partly on a legal and partly on an illegal consideration cannot be held valid as to such of it as is legal and invalid as to the rest, but must be held void in toto. (Eastview *v.* R.C.E.C. Ottawa (1918) 47 D.L.R. 47, 44 O.L.R. 284, applied)

What that means I do not know.

In this case if the marriage contract in effect at the time is shown to have something wrong with it, is shown to have an illegal section to it, then it is void. I believe this applies to the whole question of divorce. If part of a case is illegal, then so is the rest. I am sure that if we indicated that in this case the detectives had perjured themselves, and can prove to your satisfaction, Mr. Chairman, then that will be a bar to the granting of this divorce. If we can indicate there is some doubt about it, that the contract establishing this marriage is not legal, then the divorce action would be void.

I think that we should look at this in light of the over-all picture. I think it is an established fact that the institution of marriage is for the good of the nation. The institution of marriage is a very worthy part of our common law. For this reason, if this petitioner found that his wife had committed adultery and that he had a bar to this divorce, then the sum of $25,000 seems to be an unusual penalty for him to pay. I suggest that the common good is not going to be served if this petitioner is going to have to pay $25,000 to do what other people would do without paying $25,000 costs, and that this was put in in the beginning.

There is a case in English law which unfortunately I do not have before me, but it is similar to cases I do have before me where the circumstances are a little different. A man asked a woman to live with him under a common law arrangement, and he agreed that if he left her within ten years he would pay her $50,000. When this case was taken to court the court held that this was against the common interest, because the setting up of the contract was not in the national interest or for the public good. I note that the contract says that it will be paid in lieu of dissolution of the marriage. There are, of course, two ways of dissolving a marriage. One is by death, which is the normal way, and the second is by divorce. The contract says that should the husband predecease the wife the money will not have to be paid to the heirs of the wife. In other words, if death was the factor dissolving the marriage the $25,000 would not be paid to the woman's estate; it is only paid during her lifetime. Therefore, the conclusion is that the only reason for the $25,000 is that the marriage will be dissolved by divorce.

Mr. Chairman, I maintain that if this is so then it is open to many abuses. I am not prepared to state that this is the case because I think you would have to know something about the facts other than the contract alone. But I do believe that this case should be referred back to the committee and that the committee be asked to call the respondent before them so they can ascertain whether or not there was such an arrangement or collusion so as to obtain this divorce. I think this is part of the responsibility of the petitioner, because he has brought this case before us. If what I say turns out to be the fact, we cannot grant this divorce because there will be the absolute bar of collusion: there will be an arrangement. If we are to

be honest at all in these divorce cases I think we are under an obligation to call before us the respondent, if necessary by subpoena, to ascertain on behalf of the good of Canada and the law we are representing whether or not this is the fact. This is one of the reasons why I said we appear to be in conflict here, because no question was raised by our own committee on this question, and as far as I can ascertain no question was raised in the other place. For these reasons, Mr. Chairman, I suggest that this case should be returned to the committee for further investigation, with the direction that the parties be recalled before the committee to discuss this question of divorce settlement.

Mr. Chairman, there are other cases on this, and I should like to read one contained in the Dominion Law Reports on page 323.

The Chairman: Order. I have allowed the hon. member some additional time because of interruptions as a result of points of order which were raised. The quoting of authorities of law, which has been allowed, and which are authorities on the common law, not on the French civil code which is applicable in the province of Quebec, tend to be an attempt on the part of the hon. member to construe this committee as a court, which it is not. I just refer to that before I call on the hon. member for Danforth.

Mr. Byrne: May I just ask the hon. member a question?

The Chairman: The time of the hon. member has expired. The committee would have to give unanimous consent. Is it agreed?

Some hon. Members: Agreed.

Mr. Byrne: I am wondering if the hon. member could tell the house just what federal statute this pre-marital contract appears to violate. I have never heard of any actual federal statute which provides for the dissolution of marriage.

Mr. Peters: The law which it stems from is to be found in volume 23 of the United Kingdom statutes, 1857 Victoria, which act was established to amend the law relating to divorce and matrimonial causes in England. This law applied to Canada through confederation under the British North America Act, under which act sole power was given to the federal government in matters of matrimony and divorce.

Mr. Scott: Mr. Chairman, I should like to take a position directly opposed to that of the hon. member for Timiskaming and to urge the committee to disregard almost everything he said, and as a consequence of that unanimously to pass the bill and grant the relief asked for. The difficulty of the hon. member for Timiskaming is that he has all the facts backwards. When you start out with all the facts backwards you are liable to reach the wrong conclusion. The hon. member for Timiskaming also has a limited knowledge of the law, as he has demonstrated this afternoon. This also makes it difficult for him to adjudicate upon judical matters. That is one of the reasons why we have complained about this procedure of handling divorce and have taken the position that none of us are really competent to consider matters of this kind. There is this serious aspect to what the hon. member for Timiskaming has said. He is making a serious charge against some very responsible people.

An hon. Member: Very rich people.

Mr. Scott: Well, they could still be responsible even though they are rich. I should like to dissociate myself completely from the allegations he has made against these people. After having reviewed the file I desire to say that I wish all divorces were as good as this one. The evidence is excellent. Adequate provision has been made for the wife. Adequate provision has been made for the children. There is no reason in the world why this divorce could not go through.

The hon. member for Timiskaming has stated that here there is an ante-nuptial contract under the terms of which the wife is to receive $25,000 in the event of dissolution of marriage. He has said that because the wife committed adultery she should not get the $25,000. The fact is that it was not the wife who committed adultery but that it was the husband who did so; and it is the wife who was bringing action against the husband because of his conduct, and not the reverse position. Hence any suggestion of collusion would be a grave slight on the woman's integrity and should not be regarded by the House of Commons at all.

However, in reviewing these ante-nuptial contracts, Mr. Chairman, one is impressed with the whole procedure. In a way I wish that this type of premarital agreement could be introduced in all of the provinces. I think it would have a beneficial effect. The people of Quebec are to be congratulated upon this very sensible provision, namely that before young couples enter marriage they should enter into an agreement setting out what their views are, what their property is and who is to own what. The whole procedure of young couples going into marriage sitting down and deciding what their attitude towards marriage is going to be is a very sensible one. Indeed, I think if it were followed everywhere it would be very beneficial.

The Chairman: With respect, I interrupt the hon. member in order to point out to him that, in his own remarks, he has supported the opinion of the Chair that to refer to contracts which are within the jurisdiction sole of a particular province and to urge that they become part of the body of the law in any other province is to deal with a matter that has no relation to the bill which is before the committee.

Mr. Scott: Quite the contrary, Mr. Chairman. I would not wish you so to construe my remarks. What I said initially still stands. If the charges made by the hon. member for Timiskaming were true and if this contract were one which is contrary to public policy or public good and would constitute a bar, he is perfectly entitled to bring it here as he has done, and to argue that it constitutes a bar to the granting of a decree and that we should refuse to pass the bill. My position is contrary to his. I still assert that it is perfectly valid to bring a document here and argue it. What I am saying is that he is wrong in his conclusions. Since they may wish to agree with him, I am attempting to convince hon. members that they should disregard his opinion and should accept the validity of the argument that this contract, while it is part of the evidence, is not the kind of contract which would constitute a bar to the marriage itself and that therefore we should proceed. I would not wish you to construe my remarks as in any way agreeing with the ruling which you were about to make, Mr. Chairman, at an earlier stage of the debate.

If I might just continue for a moment or two I should like to do so. The reason that I would suggest to the committee that we proceed with this divorce, notwithstanding the talk about the $25,000, is that obviously in a case of this kind the plaintiff, who is the wife, married the husband many years ago, lived with him for about 20 years, raised his children, and looked after his home. It seems to me that it is in consideration of that fact that she is to receive the $25,000. She has surrendered up any other chances of marriage, presumably; she has surrendered any right to acquire any additional property, perhaps; and for that reason the $25,000 is being paid. Actually, it is a very wise and sound provision. For this reason I would suggest to the committee that this particular bill be passed; that the allegations made by the hon. member for Timiskaming are without any foundation in fact or in law; that his conclusions are erroneous; that the bill is a perfectly good and proper one, with proper provision for the children and the wife; and that we should proceed to give the bill passage at the present time.

[Mr. Scott.]

Mr. Peters: Mr. Chairman, I listened attentively to the hon. member for Danforth. I certainly bow to his legal knowledge. I am inclined to agree with him that the fact that a contract is in existence may not be a bad thing. However, my original contention still holds. Although I do not wish to pursue it, I should like to point out that this question was asked in the other place by Mr. Wilson. I am referring to page 11 of the evidence:

Q. Before you were married did you enter into an ante-nuptial contract with your husband? A. Yes.

Mr. Wilson: May I file this document?

The Chairman: You may if you wish to prove it, certainly.

By Mr. Wilson:

Q. Would you take communication of this authentic notarial copy of an ante-nuptial contract? May it be filed as an exhibit?

The Chairman: This will not in any way adversely affect your case; it may possibly have some validity.

It was filed. Then we find the following questions:

By Mr. Wilson:

Q. In virtue of that contract, your contract agreed to pay you the amount of $25,000? A. Yes.

Q. Did you enter into an agreement with your husband since you instituted proceedings against him in the Quebec courts whereby he agreed to pay you this amount? A. Yes.

Q. Which he has not yet paid? A. No.

Q. Will you look at this agreement, dated March 22, 1961 and state whether it bears your signature and your husband's signature? A. Yes.

(Agreement filed, marked Exhibit No. 4)

Q. Has there been any collusion existing between you and your husband in connection with these proceedings? A. No, none.

Q. Have you connived in the commission of these proceedings? A. No.

Q. Have you condoned the misconduct alleged in your petition? A. No, I haven't.

Q. Since your husband committed the adultery? A. No.

Q. You have not lived with him or seen him or had anything to do with him since? A. No.

Incidentally Mr. Chairman, let me interject that I think Perry Mason would say that was a very leading question, and I would imagine most of his proceedings would say that question should be inadmissible. The answer still was no. To continue reading:

Q. And he has lived separate and apart from you since 1961? A. Yes.

Q. You personally have no knowledge of the adultery alleged in the petition? No personal knowledge? A. No.

Then he goes on to what led to the breakup. In reading this evidence, Mr. Chairman, you will note that while there does not seem to be the same concern in the other place that I have exercised, there is a certain amount of concern in admitting these contracts because of the terms of the contracts. I suggest that if the contract had been discussed and if the possible terms of it had been known, maybe more consideration would have been given than was given. However, that raises a particular point.

The point has also been made that the wife in this case is suing for divorce. That may only mean that the respondent in this case is at least a gentleman as well as being able to pay $25,000.

Mr. Byrne: Highly unlikely.

Mr. Peters: Well, that may or may not be, but it is quite normal to look at those cases where the wife files a petition even more closely than those cases where the husband files a petition because Canadian men as a whole are gentlemen and they quite often make the arrangements instead of leaving the wife in this very unenviable position. I continue:

By Senator Burchill:

Q. What led to the break-up?
A. His behavior was very odd, and the medical trips were very long and I asked him if this was the case, and he said yes, it was.

By the Chairman:

Q. If what was the case?
A. If he was interested in someone else.
Q. You asked him point blank if he was out with some other woman?
A. That is right.
Q. And he admitted the fact?
A. Yes.

By Senator Cameron:

Q. How long had this been going on?
A. Oh, quite a while.

By Senator Gershaw:

Q. Where was your husband born?
A. He was born in Montreal.
Q. Has he lived in Montreal all his life?
A. Yes. He was in New York for a couple of years interning and in Boston one year doing graduate work.
Q. As far as you know does he intend to continue to live in Montreal?
A. As far as I know, yes.

By the Chairman:

Q. Is there no hope of any foregiveness, or reconciliation between you?
A. No.
Q. Your children are nearly all grown up?
A. Yes. The boy is 21.
Q. With the exception of the youngest one they can all look after themselves now?
A. They can, and they are planning to get off about their own lives.

Mr. Crestohl: On a point of order, Mr. Chairman, I think the Chair has ruled under similar circumstances that it is pointless to read all the evidence to the committee. Members of the committee received copies of the evidence and are presumed to have read it, and I do not think it helps the committee to any degree at all to have the evidence read at length now. Perhaps it does help to exhaust the very precious hour in which many people are hoping to have their cases dealt with. I am sure, however, that the hon. member does not mean to be unfair and that his motive simply cannot be to prevent other bills from being dealt with. As I say, I am sure that is not his motive and I am also sure he will realize, as the committee certainly does, that extensive reading of the evidence is prejudicial to the other bills on the order paper and holds up consideration of them unduly.

The Chairman: Order. The matter of holding up other business of the house is, of course, within the determination of the members of the committee themselves. However, the use of extensive quotations, as the hon. member realizes, from documents or from other records or minutes of parliament, especially such documents as are within the knowledge of the committee if they so desire, is not permitted. The other question, which is within his own determination, is whether or not it is in good taste to quote extensively from evidence of this nature with respect to a divorce, and I leave that to his own good judgment. But I do caution him against quoting extensively from such minutes because, as he realizes, the committee rules do not permit this.

Mr. Peters: Mr. Chairman, I will not ask the hon. member to withdraw what I considered to be an unfair remark. However, if I were in a school and were the teacher I would ask for a show of hands of those that have studied this case and have read the evidence. I would imagine that the hon. member who has raised the point of order is one of those who would have to stand up and say that he knows absolutely nothing about this case except that these people come from the province of Quebec and probably from the area of Montreal.

I believe that in looking at this legislation just as any other we have to give some consideration to what we think are errors in it. I am interested in the way that this contract fits into this case and I hope to convince the committee that the contract as entered into constitutes a bar to the granting of this divorce because I believe that the terms of the contract are not in the public interest or for the public good.

I am not opposed to the remarks made by the hon. member for Danforth. I believe he is perfectly correct in saying that certain contracts are worth while. I am certainly very happy to find that one of the documents has to do with the maintenance of the children. This is a matter to which so many members of the house do not give any consideration at all and in fact raise points of order to the effect that we cannot even discuss it, although children are involved in the petitions that we handle and in my view are a very fundamental part of federal jurisdiction and responsibility with regard to divorce and marriage.

I believe that the committee of the other place gave some consideration to this point and that is why I am interested in studying the information that was brought out there. If members are going to come to a decision on this particular case without knowing anything about it and object to the information being brought forward, not with regard to divorce in general but this particular case, I suggest they are doing a disservice to the people they represent, and I do not think any member of the committee will stand up and say that he wants to do that. The chairman of the committee of the other place continued with these questions:

Q. Witness, did you at any time have any conversation with your husband about this whole affair?
A. Well, I did this time, yes.
Q. When?
A. I asked him.
Q. But when was this?
A. About a year and a half ago.
Q. You asked him what?
A. I asked him if there was another woman, and he said yes there was.

By Senator Gershaw:

Q. And you lived with him since then as man and wife?
A. We thought we would get over Christmas.

There are a number of members who are lawyers and the member who has raised the objection is one of them. I would ask him to consider this particular question.

Q. And you lived with him since then as man and wife?

This was after she had been told there was another woman involved.

A. We thought we would get over Christmas.

This in itself is a bar, Mr. Chairman. If an offence takes place and one of the parties knows about it and continues to live with the other party as man and wife then, as all lawyers well know, there is no basis for granting a divorce. If the relationship of man and wife is re-established the original offence is eliminated in law and this is an absolute bar to a divorce being obtained on that basis. Yet some say: Let us pass the bill. I wonder whether they would stand before the bar and say the same thing.

By the Chairman:

Q. How far did he go—did he just simply tell you there was another woman in the case—is that all he said?
A. Yes.
Q. He did not make any admissions as to any sexual relation or anything of that kind, did he?
A. Well, it was assumed.
Q. I am afraid it is the sort of thing we cannot assume, except where there is pretty substantial corroborative evidence?
A. There was.
Q. What was that corroborative circumstantial evidence?
A. I think when he spent week ends with her one could assume that.

[Mr. Peters.]

Q. How do you know that?
A. Because the medical meetings would end Thursday or Friday. He said he was spending week ends with her.
Q. He told you point blank that he has spent the week end with this woman?
A. Yes.

Some members say: Let us get on with it; you are only holding it up. What kind of respect have they for the law, in which they are trained and I am not? I wonder. I think each member has an obligation to the full extent of his ability to see that justice is done to every person in this country and I think that justice cannot be assumed in this case by looking the other way.

This is not a case of turning the other cheek. I refer again to the evidence:

Q. Well, of course, he could do that and still there would be no sexual relations between them?
A. I think it is quite unlikely.
Q. That may be but we want a little more than that. Did he admit to you he used to spend week-ends with her?
A. Oh, yes.
Q. Did he do that more than once?
A. Yes.
Q. Where were these medical meetings held that he went to?
A. At various places.
Q. In the United States?
A. Yes.
Q. In New York?
A. Yes.

By the Chairman:

Q. Did he tell you who the woman was?
A. Eventually, but not before he left the house.
Q. The position is that he admitted and told you he was spending his week ends with a woman?
A. Yes.
Q. Ultimately did he tell you her name?
A. Yes.
Q. And that name was?
A. Do I have to say her name?
Q. If he told you yes, of course.
A. Mrs. Lever.
Q. We have no allegation of any offence with Mrs. Lever. You do not know anything about this woman Margaret Bryant do you?
A. No.
Q. Nothing whatever?
A. No.

Now, Mr. Chairman, we come to the point in the evidence where it has been established by questioning in the other place that before the marriage broke up there had been a reference to a mysterious lady who spent week ends with the doctor after medical conventions in various places. Well, this divorce is obtained on evidence given by detectives. I have only the normal hesitation about accepting their evidence that every court in the country would have. All documents concerning divorce contain a warning that the evidence of a detective be given very close scrutiny, particularly when it is not documented by pictures or other forms of corroborative evidence. In this case the respondent and corespondent did not appear to give evidence.

It is surprising that in this particular case, where the marriage has ended and where the name of the woman is known after the wife has left bed and board, that then the detectives come into the picture and it is not the same woman at all.

Another bar to divorce, Mr. Chairman, may be the fact that the person obtaining the divorce is of such an unsavory character that he could be classed as being promiscuous. In the case of a woman, if she is engaged in prostitution, this may be a bar to the granting of a divorce. Well, now, we see a complete change from the situation which obtained at the time of the separation. Now, we come to the evidence of the detectives and it is completely separated from the evidence we have had before and involves a different party. I suggest, Mr. Chairman, that this would make one wonder if over a period of time this doctor, whom I am sure is highly qualified and is an outstanding citizen, would change to another woman after apparently liking this one first mentioned for such a period of time.

Now, there is a stage where we come into the same type of set-up that is involved in the ordinary divorce mill. I suggest, Mr. Chairman, that this takes us back to the contract again and whether or not there were inducements for this type of action. The divorce is established by having private investigators. They both gave evidence, and both live in Montreal. They classify themselves as investigators, but no questions were asked as to whether or not they were licensed in the province in which they operate or in Montreal. The investigator is shown a picture of the doctor and then this question is asked:

> Q. Would you tell the committee of the investigation you made and what you discovered?
> A. We were first requested to proceed with the investigation in the latter part of April or beginning of May, 1961 and we were given certain information as to his residence and so on.

Well, Mr. Chairman, I would presume this might involve the fact that many week ends were spent with a particular lady. I would think he would just have to find out when the next medical convention was going to be held, go along and find out for himself if the statements being made by the wife were true. This is not the way it was done.

The Chairman: I am sorry to interrupt the hon. member, but his time has expired.

Mr. Scott: I would not want the case to be left in this condition. The hon. member for Timiskaming has referred to this business of the ante-nuptial contract. As most members know, in the province of Quebec this is a most necessary thing because of the problem of community property. If a husband and wife marry and no contract is entered into, then they have what is called community property. Under those circumstances, if the husband got into financial difficulty, all the property would be available in settlement of his debts. If the wife gets into trouble financially, all the husband's assets are available. It is largely for this reason that these contracts are used.

The Chairman: Order; the hon. member is breaking the rule of relevancy, I am afraid, in giving a discourse on the law of Quebec. However, it is now six o'clock so I will leave the chair and report progress.

Progress reported.

Mr. Speaker: It being six o'clock, this house will resume the business which was interrupted at five o'clock, and I do now leave the chair.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration of the motion of Mr. Nowlan for the second reading of Bill No. C-87, to provide for the establishment of a national economic development board.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Herridge: Mr. Speaker, when the debate was adjourned owing to the onset of private members hour I had just completed making some complimentary remarks about the ability of the hon. member for Essex East (Mr. Martin) to distil the elixir of the English language in euphonic tones. I was also dealing with the question of the similarity of the point of view of the Liberal and Conservative parties with respect to planning, as against our proposals; their insistence that planning could be undertaken without any interference with the vested interests. I say this because in principle both the Progressive Conservatives and the Liberals worship at the altar of free enterprise propped up by the welfare state, as they understand it; that is, as a premium paid by capitalism on an insurance policy, by the government, against abnormal discontent. There is no question about it, Mr. Speaker, a capitalist society historically has depended upon armaments to consume surplus production and overcome economic depression. That is proven by the statements of a great

number of leading manufacturers in the United States regarding the effect the sudden, if it were possible—and we wish it were—onslaught of peace would have on the American economy. In our opinion, freedom and security can only be obtained by new concepts of society, by a new purpose, new objectives, and a new sense of values.

I know my time is expiring, Mr. Speaker, and I am trying to push my speech together. There are three types of planning as we see it. First of all there is opportunistic planning, which is carried on for a temporary effect or for a particular purpose, as evidenced by the planning of the Sons of Freedom in my constituency quite recently. When not long ago the Prime Minister visited Kootenay West, some of the Sons of Freedom ladies undressed in his presence. I was talking to a friend of one of them afterwards and saying that we objected to that sort of thing because there should be respect paid to our Prime Minister, regardless of our party politics. One of them explained, "You know, Mr. Herridge, this was different. They undress to protest, historically, against materialistic civilization. This time, Mr. Herridge, they said they undressed to also show the Canadian people what they will be like in four years' time if he is elected again."

Then there is operose planning, which is a form of reluctant or irksome planning undertaken to create a short term political effect. That is what we believe the planning in this bill provides for, a very short term political effect. It creates an illusion in response to a public demand for a public necessity and need. As against that we have co-operative, or effective planning, the type to which this group subscribes.

With all the high sounding language in the minister's speech and in the bill, after its passage we must remember that the Iron Ore Company of Canada will continue to export $500 million worth of Canadian iron ore annually to the United States and Europe, and Canada will continue to import $2,500 million worth of steel products. That is the situation we want to overcome with our type of planning. At the same time, the federal government of Canada is proposing to permit the export of vast quantities of power from the Columbia river—I cannot help referring to this—and with it vast quantities of water that will be required by future generations in Canada. As another illustration of what the orthodox planners mean, I notice in the Nelson daily *News* of Wednesday, November 28, 1962 a headline, "Shrum sees hydro power top export". This is one of the great planners in British Columbia, according to some points of view. What does this news item say? It says:

Gordon M. Shrum, chairman of the British Columbia hydro and power authority, said Tuesday British Columbia's greatest export in the future will be hydroelectric power.

We aim at the type of planning that will keep that power in Canada to provide jobs for Canadians, instead of providing jobs outside our country. Although we listen to all this twaddle about planning, after the passage of this bill, without a doubt, we will continue to export profits, interest, dividends, power, water and jobs in vast quantities. This party believes in the type of planning which will, first of all, conserve, develop and utilize the natural resources of Canada so that they will meet the needs of present and future generations—planning with respect for people, natural resources, wild life and so on.

An hon. Member: Tell us about medical planning.

Mr. Herridge: You will be told all about that later.

We believe in the type of planning which will provide a basic economic security for all who are willing to contribute their labour or their services according to their abilities. I have had some experience with paper planners. I realize there is ground for criticism in some cases. But we believe in a type of planning under which there is consultation with the people concerned. Consent, consultation and participation are essential for effective planning in a democratic society.

Previous speakers have outlined some proposals and means for reaching this end and I do not intend to take the time of the house by repeating them. This is an important question for members of this group, and there are others who wish to speak. We aim to utilize this planning of material things to lay the foundation for a spiritual and cultural life in the broadest sense of the word presently denied to multitudes. We do not believe that material security or prosperity are the end of all things. They are merely a foundation upon which can be built a real spiritual and cultural life based on a reverence for all creation. In a totalitarian state there can be security without freedom. In a democratic society there cannot be freedom without security. If there is no freedom from want there can be no freedom from fear, no freedom of worship and no freedom of speech. When a democratic society provides economic freedom it not only provides freedom from fear of the future but freedom, also, from the follies of the past and the present with their disabilities and dangers. When we plan to raise the economic level—

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member but his time has expired.

Mr. Herridge: I am sorry, also, Mr. Speaker.

Mr. H. E. Gray (Essex West): It is always a pleasure to listen to the hon. member for Kootenay West (Mr. Herridge), probably the only great landed proprietor left in the house today. I believe the people in his area often refer to him as the baron of the Kootenays. It is very interesting to hear him when he comes down from his mountain estate to deliver polemics against the economic system which permitted his father, and he in his turn, to win and hold thousands of acres as private property.

Mr. Herridge: Would the hon. member permit an explanation? I am purely a trustee for the nation pending the revolution.

Some hon. Members: Oh.

Mr. Gray: I will say this: if the day ever comes—and I hope it does not—when some government board says it wants to take away the hon. member's land for the good of the nation I believe the hon. member for Kootenay East would be the first to take a shotgun and warn away any government man from approaching at his peril. I mention this because it is always interesting to contrast the views of the hon. member for Kootenay West with the views of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron), the views expressed by their party leader and also by their deputy leader on economic matters, particularly where they apply to a possible role for free enterprise for the private sector of our economy. Listening to their remarks and to the contradictory views which they express I sometimes feel there are two separate parties seated in that corner of the house.

In any event, it appears to me that the Minister of Northern Affairs and National Resources (Mr. Dinsdale) made an interesting revelation in his remarks yesterday, namely, that everything which the government has been doing since 1957 has been part of a plan, and a five-year plan at that. The hon. gentleman said as reported at page 2943 of *Hansard*:

> We regard it merely as a continuation of the program which has been under way ever since this government took office in 1957. This is not the beginning of a new era. This is the continuation of a program that has been gradually unfolding under the leadership of the Conservative government.

The hon. gentleman made this interesting point about a five-year plan in talking about the national economic development board. I think the Canadian people will be amazed to learn that the unemployment in this country averaging 6 and 7 per cent a year, a decline in production per person by 3½ per cent, did not come about by chance, by failure to make decisions or even by wrong decisions but, instead, was part of a deliberate Conservative plan of which this national economic development board is just one part. Well, if the economic situation between 1957 and 1962 was an example of Conservative planning I know the Canadian people will want to be spared any more of it. Apparently the Conservative government kept this plan a secret even from their own members.

Mr. Ricard: You have to read every word of it.

Mr. Gray: At least I know how to read, which is more than the government whip can say. If they had not been keeping this supposed five-year plan a secret from their own members it is most unlikely that the hon. member for Parry Sound-Muskoka (Mr. Aiken) who today, I believe, is a parliamentary secretary would have made the remarks he did as quoted by my hon. friend from Essex East (Mr. Martin) in his comments on the subject some weeks ago. This hon. member was quoted in *Hansard* of May 24, 1960, at page 4179 as saying:

> Setting up a national board to develop economic policies would be, in my opinion, setting up a new giant in the field of semi-governmental bodies which is quite unnecessary.

I think it would have been much more convenient if the cabinet had told their supporters about this five-year plan in order to avoid embarrassment of this type in years to come. Even the Associate Minister of National Defence did not know about this plan, it would appear, from his remarks yesterday. Looking at page 13 of the translation of his remarks I find he said:

> For the last five years we have tried, thanks to our national productivity council and to the continuous contacts we have had with men from all spheres of Canadian activity, to find the formulas which would enable us to obtain the splendid success I mentioned earlier.

Just before those remarks, he said:

> The proposed economic development board will allow us to find a formula, to find a solution to the problem between labour on the one hand and capital on the other hand. And if this board can fulfil their purpose, it will not have been set up in vain and all should be satisfied.

In other words, the minister appears to have admitted the failure of what they were trying to have this productivity council do—an admission in saying they had been using this council to search for formulas; an admission that any success they may have had in economic matters, no matter how small, was purely by chance.

He suggests that this board, working with people in all segments of the economy, as it

should and must, can find means to deal with these various problems—these other things that we are talking about, which previously they had not been able to find means to have worked out, by chance, by formula or otherwise. There is, certainly, an important task before this national economic development board and that is to formulate, at long last, a definite policy of area redevelopment—a policy to deal with the depressed areas of our country, the areas which suffer, unfortunately, from chronic unemployment and which have experienced a movement of industry from them to two or three metropolitan areas, a concentration which has created problems not only for those areas but for the communities which the industries have left behind them. So far we have seen no real program of this type from the present government though they have had every opportunity to formulate, put forward and carry out such a program. Instead, we have had nothing more than what Maurice Jefferies of the Windsor *Star* has called a "balkanized economic aid program." We have had the Atlantic development board, which is a most useful forward step, but for the rest of the country no similar needed program. In fact, the only policy we know of so far is something which the Minister of Labour (Mr. Starr) has put into a bill which we have not as yet had an opportunity of discussing as fully as we should. I refer to "manpower mobility incentives." I can only infer that since we have the Atlantic development board for the maritimes, and manpower mobility incentives for some of the other depressed areas of the country, their only policy, and a mighty poor one at that, is to move people away from areas in which they have spent their lives and have their homes rather than carry out a plan for bringing industry into these areas.

Mr. Ricard: Who is going to pay for moving them out?

Mr. Gray: You said you are going to pay for moving them out.

Mr. Howe: Is that not what Gordon said?

Mr. Gray: No, he did not say that. In any event, we must certainly develop such a program. The government does not really need to wait for a board, although a board can be a most useful vehicle for this type of program.

Mr. Speaker, these measures are not something which need to be divined by some mystic process; they are already known. I think of programs developed by committees such as that in Windsor, which was put forward by a delegation of mayors a few weeks before Christmas. Unfortunately, the present government does not seem inclined to respond to these carefully thought out programs of a type such as that proposed not only by this committee of mayors from Windsor, and from maritime communities, and also by groups such as the plant movement council of the united automobile workers.

Some hon. Members: Oh, oh.

Mr. Gray: Hon. members opposite may laugh at my reference to the plant movement council of the united automobile workers, but the Minister of Labour put on a great show of pretence in being most interested in the problems which they put forward. These automobile workers in Windsor will be most interested to find by this laughter the true feeling hon. members opposite display about the problems of plant movement.

Mr. Speaker, this true feeling was exhibited in another most unfortunate way when this group of mayors both from the Windsor area and from the maritimes came to present the report of a civic committee in Windsor to a group of members of the cabinet. Present was the Minister of Labour, the Minister of Trade and Commerce (Mr. Hees), and although we were supposed to have the Minister of Finance (Mr. Nowlan) in attendance as well, for some reason not yet explained to me we had instead the Minister of National Health and Welfare (Mr. Monteith), an affable gentleman, but not the one it seems to me that the delegation expected to have a chance to talk with on problems of this type. The only answer I can see is that the present government must have recognized that their current policies are pretty sick and so they had the minister of health there to attend to this particular group.

The most unfortunate part of this particular meeting was that when the time came to read the operative portions of the brief in question the spokesman for the group, wishing to save what he thought was the time of some very busy men, indicated that he did not feel it necessary to read this operative portion because he knew that the city clerk of Windsor had apparently sent this brief to them weeks and weeks before the meeting. But to the great shock, amazement and surprise of the delegation they found that these honourable gentlemen from the cabinet who had met with them quite freely admitted that they had not even bothered to take the trouble to read this very brief with its important recommendations. It is not a very good indication of the attitude of the present government toward the question of redevelopment of distressed and depressed areas.

Mr. Speaker, I am sure that the people of the maritimes, pleased as they are with the

steps which have been taken and which should be taken to develop their own area, would not hesitate one instant to join the programs for their area into one great national program of area redevelopment so that we would have a national policy to deal with questions of this type. This is something, as I say, Mr. Speaker, that we hope the national economic development board will be able to get to work on just as soon as it is set up; and I hope that once this bill is passed we will not have a lapse of two years, as we had with the productivity council, before we have something productive from it.

It is not only necessary to have a definite program put forward with a whole arsenal of measures to deal with the problems of depressed areas. We must also have a government which is ready and willing to put these measures into effect; a government which is willing to set up a definite agency of government to institute these measures equipped with the funds necessary to carry them out. If this is done, then at long last we will begin really to tackle this problem of depressed areas which is holding back our country. If there is a need for national planning at this time, Mr. Speaker, then this planning must be for the purpose of seeing that certain areas of our country do not create a drag on the rest of it; that they have a chance to contribute everything they can to the development of our great nation. If the board does this and if the government carries out its solutions and proposals, we will see something very constructive coming from its work.

(Translation):

Mr. Gerard Lamy (St. Maurice-Lafleche): Mr. Speaker, I am not against the setting up of an economic development board, but if we had had competent governments since confederation, we would not need an economic development board. In fact there was no need for such an organization when the country was at war.

In wartime this country was in full prosperity, but in peacetime people are starving in a country as rich as Canada. What kind of a phenomenon is that? In wartime we were living very well and in peacetime we are starving. It is because money came at the rate of industrial production in wartime, and because people had purchasing power and bought our products, which created jobs, and as a result we had prosperity.

Mr. Speaker, allow me to show to what extent the economy is now paralysing any initiative. I have in my possession two loans to build houses, two C.M.H.C. loans which represent $12,000. These loans are to be repaid at the rate of $108.00 a month, that is $81.00 in capital and interest, and $27.00 in taxes. Our monetary system is nefarious, in that it paralyses economy. With such loans people are starving, Mr. Speaker. How can you expect a small wage-earner to manage to make both ends meet, when he must make such payments? You know that home building would help us increase the number of jobs, because in such construction, labour represents about 65 per cent.

That is why I would have a suggestion to make to the Canadian government, the effect of which would be to eliminate part of our unemployment problem, to carry out slum-clearance and so forth. Here it is. Last fall, when the economic situation was in a lamentable state, the Diefenbaker government could have allowed construction of family units for small wage-earners by granting them loans from the Bank of Canada without interest, the repayment of which would have been based on their salaries. The lender could have asked a repayment at the rate of 75 per cent of a week's salary a month.

If, for instance, the government had realized that 100,000 houses had to be built during the year, and that the payments thus calculated would have been amortized in 12 or 15 years, I think it would have been advantageous to proceed in such a way. Here is what it would have cost the government, Mr. Speaker. It would have set up a billion dollar fund for the construction of 100,000 housing units, and that sum would have been returned to the government, after having served the population, in allowing them to build 100,000 units, because the payments would have returned to Ottawa. We would then realize that after having created a billion dollars, money alone has been destroyed but not the houses. This is an extraordinary phenomenon. We build 100,000 houses, and we do not destroy them in destroying money, but we are bringing a solution to unemployment, to inadequate housing, and we clear slums. But the older parties, the Grits and the Tories never talk about social legislation because they never give any thought to workers' families. That is why, Mr. Speaker, the Liberal party was swept out of office in Ottawa, and that is why Mr. Diefenbaker, after having put his talents at the service of the people, lost 60 seats in

the last election, and that, in the next one, he will not have 50 left, because Social Credit will then be put in office. If there were 200 Socred administrators, there would be no need of an economic development board, because out of those 200, there are some who are intelligent enough that we would not need the service of an economic development board to get the country into prosperity again, as was done in wartime.

Mr. Speaker, in order to promote a greater economic activity in our country, we shall have to provide our families with increased purchasing power and, to that end, it will be necessary to adjust family allowances according to the cost of living instead of granting starvation allowances in a rich and prosperous country such as ours.

Every time the purchasing power is increased, jobs are being created. That is how everybody is given a job in the end. If we ask that old age pensions be granted at the age of 60 instead of 65, it is because people of 60 and 65 years would then be able to rest before they died and at the same time young people in their twenties could start a family.

For young people from 18 to 25 years of age, there is nothing worse than unemployment. They loiter around in taverns, and grills and just about everywhere because there is nothing else for them to do. And as we know idleness is the root of all evil.

If our older citizens were getting a pension before the age of 70, they could live more decently and their money would contribute to create employment. In fact, it should not be forgotten that each time money is spent, employment is generated.

And this also goes for our people.

Mr. Speaker, this plan will have to be completed by the government by credit facilities through the Bank of Canada.

The government will also have to realize that it will be responsible for financing school boards, municipal, provincial and federal budgets without interest, or at least at cost, so as to relieve the family man from taxes.

Mr. Speaker, if you build a convent at a cost of $1 million with interest based on cost only, it should be quite easy to pay back $1 million plus a few hundred dollars, but if interest at 5 per cent is charged during 20 years, the same convent will cost $2 million, and thus a sum of $2 million has to be paid out while at the outset those responsible for the project had doubts as to whether they could afford $1 million. Such a situation would not exist under a Social Credit government, for we could use credit from the Bank of Canada and pay interest based on overhead only.

The Canadian people have had more than enough of the older parties and their lack of concern.

Mr. Speaker, the evil afflicting our country today boils down to maintaining the unemployed and his family in idleness. This is a terribly expensive calamity. Why does the government not put these people to work instead of paying them $36 a week for doing nothing? I know some hon. members are going to say: "There is no place for them to work, we have no jobs to give them". But houses, schools, roads and tunnels could be built throughout Canada. And should we not promote the establishment of heavy industry in this country? We should then even have a shortage of labour.

(Text):

Mr. David Orlikow (Winnipeg North): Mr. Speaker, when the Minister of Finance spoke on this bill on November 27 last he expressed its purpose as follows, as reported at page 2073 of *Hansard*:

> The government is determined that this country will continue to prosper and to grow. It is determined to stimulate the further expansion of our existing industries and to encourage even further the development in Canada of new and efficient industries.

Surely if these admirable objectives, with which all of the hon. members of this house can agree, were attained, we would, although the minister did not quite say so, have a country blessed by full employment. But what we must ask ourselves here and what the people of Canada have a right to know is whether the passage of this bill and its implementation will achieve this admirable aim. The debate to date, I submit, has not been too hopeful. It has concerned itself almost exclusively with the hope that the planning proposed will help to develop new industry. The development of new industry is important but it is only one side of the coin. The rapid relocation of existing manufacturing and servicing industries from old established centres towards a concentration in a few major areas in Canada is having a growing and disastrous effect on the Canadian people. Decisions by management as to plant location have, to the detriment of Canada, been regarded by private industry and by governments, both Liberal and Conservative, as the concern of business alone, despite the fact that the welfare of

entire communities and the lives of thousands of our citizens are affected by the movement of plants and factories. Surely it is time that the desire for profit and competitive advantage which industry hopes to gain when it moves to new locations should be considered and balanced against the responsibility of those same industries to the communities in which they were for so long established.

Unfortunately, if we look at corporation examples or at the view of either the present government or the official opposition when they were in power, and when we see how they discuss this bill, it is obvious that to them profit is still the overriding if not the only motive for every act carried out by the corporations of Canada. This government has no intention of even trying to blunt this unconscionable drive for profit at any cost by Canadian business.

Corporate decisions on plant location have had for the people of Canada and our economy consequences many times greater than any decision of democratically elected governments, whether federal, provincial or municipal. In this bill or in the speeches which have been made in this house by representatives of the government or of the official opposition explaining their position, there is nothing to indicate that the situation will be better in the near future if they have their way.

Governments have looked with indifference at the haphazard growth and development of our economy because of the unregulated concentration of industry and population. Without real planning and the desire to meet specific problems there will be and there is no end in sight to the decline of employment in many of our major towns and cities. Canada will increasingly become the scene of many depressed and underdeveloped areas surrounding two islands of concentrated prosperity, namely Montreal in one province and Toronto-Hamilton in Ontario.

The government has made it clear that this bill is proposing another advisory board like the productivity council, the Atlantic development board and a host of others that are being established. This board will have no more power to get action than those already working have had. The productivity council sent a mission to western Europe. It was made up of representatives of labour, management and government. It made an excellent report, which members of this house have had an opportunity to read, on western Europe's prosperity and how it has been accomplished. What minister or what government department has the responsibility to see that we apply to Canada those lessons which they learned, so that we can do for the people of Canada the kind of job which the western European countries have been able to do for the last 15 years. This is completely unlike the European experience. We can only assume from these differences between what is being done in Europe and what is proposed in this bill that the bill is really nothing but window dressing and will accomplish nothing to bring us to the state of full employment which they are enjoying in Europe.

In most European countries they have dealt directly with the problem of plant location through area development programs. In Great Britain positive controls and financial inducements are used to direct the location of new plants. A company wishing to build a new plant may be refused permission to locate in an area where there is a labour shortage. At the same time, loans, grants and other inducements are offered to encourage the location of plants in areas of higher than average unemployment. Thousands of new jobs have been created in formerly depressed areas by these policies. The president of the British board of trade used his power of persuasion in not permitting the Ford Motor Company of Great Britain to expand its own original location in London, which is already congested, and persuaded the company to erect its new facilities on the Mersey side, an area suffering from chronic and high unemployment. Twenty thousand new jobs were created in this area. Is it too much to suggest that we could use some of the same type of persuasion and direction in Canada?

What has happened in Canada, of course, is the exact reverse. Beginning in 1957 when the former government was still in power and continuing until the present day we have had a steady erosion of jobs in the Windsor area as the automobile industry has moved its facilities to the Toronto-Hamilton area. But you can study this bill or the speeches of the minister with a microscope and find no evidence that this government proposes to do anything like the British have accomplished.

In France recently the French minister of industry threatened, under the power vested in him by French law, to examine with the greatest care new foreign investment in France because two American firms had laid off 1,000 workers as a result of changed business conditions. The Toronto *Globe and Mail* in its issue of Friday, December 14, 1962, quoted the minister as follows:

> I will not permit that certain isolated enterprises practice in French industry an irresponsible policy

that does not respect the social contract linking a financially powerful enterprise to the labour it employs.

That is a far cry from anything we have heard from any minister in this house. The French government, on the advice of the commissariat du plan, prohibits new installations in the Paris area, and there are grants and fiscal exemptions to encourage development in certain other regions. If it were not so tragic in its consequences it would be laughable that a United States foreign subsidiary 3,000 miles across the Atlantic ocean from its parent head office is subject to this kind of social restraint when in Canada in the Windsor area, only a few miles away from its parent company, another huge subsidiary company in the same industry is absolutely free and unchecked by any such moral or legal restraint in this country. Yet we have this happening with no protest on the part of the government and no protest at the time it began by the former government which is now the official opposition.

There is not a single industrialized society in free enterprise western Europe which does not, in some form or another curb the power of huge corporations to disregard their social and moral responsibilities not only to the individual worker in their employ but to the national interest as a whole. How different it is in Canada in the year 1963. We continue to propose more incentives to industry when the problem is not only to attract new industries but rather to retain established industries in the communities in which they have been established for many years and to which, I suggest, they have a real responsibility.

Our programs, existing and proposed, are programs which can only be described as piecemeal and which will have little effect on the people of this country. In Europe they realize that particular areas require special attention in order that they can contribute fully to the over-all economic growth of the country as a whole. The European programs concern themselves with much more than the elimination of pockets of high unemployment and the rehabilitation of distressed areas. They make plans for the country as a whole.

One of the best examples of the lack of planning and the callousness of Canadian industry can be seen if one looks at the city of Windsor. The exodus of industry there has means the loss of thousands of jobs. Many of the unemployed have never found new employment. Since 1956, when the Liberal party was still the government of Canada, there has been a drastic contraction of employment in Windsor. There has been a drop of $20 million a year in wages and salaries alone. As income from wages and salaries fell so has income earned by business, professional and commercial interests in that area. New residential construction has fallen off sharply in the past five years. In 1961 house building was one third of that of 1956. Per capita spending on retail goods and services declined by $20 between 1959 and 1961.

Greater Windsor's population increased by only 18 per cent from 1951 to 1961, while the average increase for 17 metropolitan areas surveyed for the same period was 45 per cent. From 1956 to 1961 the increase in population in Windsor was only 4 per cent.

The major cause for this stagnation in Windsor is the program of relocation of Windsor's single major industry, the motor vehicle and parts industry. There has been no compensating growth in other lines of manufacturing so Windsor is plagued by large scale chronic unemployment. In 1951 the Ford Motor Company of Canada had 12,000 production workers in Windsor. Today there are less than 4,000, and more departments are to be transferred to the Toronto area in the next few years.

This fantastic cut-back was part of a deliberate policy on the part of the company to diversify and make more competitive the domestic manufacturing plants of Ford of Canada. The company has withdrawn from Windsor with little, if any, consideration for its displaced workers. Supply and feeder plants which sell to Ford have been forced to follow Ford to the Toronto-Oakville area. There are now more of these plants in the Toronto area than are left in the greater Windsor area. Thousands of these workers laid off by Ford and the parts plants have never been re-employed and are now drawing unemployment insurance benefits or, in many cases, welfare from the municipalities concerned because they have exhausted their benefits.

Many attempts were made to get the company to consider the effects of these moves or even to help the workers move to the new location so that they could start over with a new job in a new area, but these attempts were met with cold, hard, ruthless, callous disregard by the companies concerned and especially by the Ford company. This is not a case of a company being forced to take drastic action by adversity. For the first six months of 1962 the Ford Motor Company showed a consolidated net income of over $20 million, an increase of 145 per cent over the same period in 1961. The net profit for the first six months of 1962 was almost $5 million higher than its previous record. From 1951 to 1961 the earnings retained by Ford for use in the business rose from $178 million to $226 million. In the ten year period ended in 1960 the net profit of Ford represented an average

annual return of over 11 per cent on the company's average net worth for that period. Certainly this was a generous rate of return. Yet despite this generous rate of return the Ford workers and the community of Windsor have been ignored and their welfare disregarded by this corporate giant, a giant without a heart. Ford can reap record profits, but it cannot or will not find the means to provide employment for workers who have worked for that company for 20 or more years. This company is one of the wealthiest in Canada. The people of Canada, I suggest, have a right to ask how profitable a company has to be before it realizes that it has a responsibility to its workers, to the people of Canada as well as to its shareholders.

If this bill has any answer for the workers of Windsor, I for one have failed to find it. The private corporations, however, are not the only ones who are guilty of a callous disregard of their own workers. In my own city of Winnipeg, we have seen the gradual movement of the T.C.A. operations to Montreal. Trans-Canada Air Lines head office was originally in Winnipeg. In recent years a large number of departments of T.C.A. have been moved east. Included amongst these are the headquarters and staff, engineering, communications laboratory, radio shop, instrument shop, materials and processing laboratory and the engine overhaul shop.

In 1948, Mr. C. D. Howe, then Minister of Trade and Commerce, said that there was no intention to move T.C.A.'s main department from Winnipeg. He said that 95 per cent of the activities at Winnipeg would remain there. In December, 1948, Mr. Gordon McGregor, then president of T.C.A., replying to rumours that T.C.A. contemplated moving its overhaul base to Montreal, said that some of the executive staff might be moved to Montreal but that the company had no intention of transferring the overhaul base. In February, 1949, Mr. McGregor announced that administrative offices of the operations department of T.C.A. would move to Montreal the next fall. He said:

> There is no conceivable reason nor any grounds for suspicion that this move marks the beginning of a mass transfer of T.C.A. activities to Montreal.

In November, 1949, Mr. Howe said that T.C.A. did not contemplate making further transfer of personnel from Winnipeg to other centres. In October, 1951, a T.C.A. official said that the Winnipeg overhaul base has been, is and will continue to be the system's only complete repair base. In November 1951, Mr. McGregor said Winnipeg would share in the steady development of T.C.A. all across the country. In February, 1956, T.C.A. officials announced that T.C.A. was dropping major overhaul work in aircraft radio equipment in Winnipeg.

In September, 1957, T.C.A. officials emphatically denied rumours that the overhaul and maintenance base was being moved from Winnipeg. In 1957, November, Mr. George Hees, then minister of transport, said T.C.A. employees in Winnipeg had no need to fear for their future employment because T.C.A. did not expect in any way to diminish repair and maintenance operations in Winnipeg. In January, 1959, Mr. McGregor said that T.C.A. had no plans to decimate its shop staff in Winnipeg. In January, 1961, it was reported that a letter from Mr. Hees to the Manitoba government said that T.C.A.'s overhaul base in Winnipeg might be closed in 1965 or shortly thereafter.

In 1961, May, the present Minister of Transport (Mr. Balcer) told the St. James chamber of commerce that T.C.A. was reducing the volume of its overhaul work in Winnipeg but that the overhaul of Viscounts would continue in Winnipeg at least through 1965. Most of the groups which I have listed have since increased greatly in scope and numbers of personnel. The total staff of T.C.A. has increased sharply, all the increases of course being in eastern Canada. Now, plans are being completed to consolidate all overhaul facilities in Montreal. The transport minister has suggested that this can be done, and I quote, "Without major disruption to the lives of employees or the economic welfare of Winnipeg."

What nonsense this is, to imply that over 1,500 employees with a payroll of almost a million dollars a month can be uprooted from their homes and families in Winnipeg without major disruption to their lives or to the city of Winnipeg. This is, at best, a dream of the minister's which will be a nightmare for the people of Winnipeg. Hundreds of employees will not or could not move. They have homes, they have families, they have responsibilities in Winnipeg. There is little, if any, alternative employment for this highly skilled group in Winnipeg. By one decision of T.C.A. management, more jobs will be lost in Winnipeg by 1966 than the whole aggressive industry searching program of the Manitoba government, for which they recently received an international award, could possibly find.

Not only will this decision mean a payroll loss to Winnipeg of almost $1 million a month, with consequent loss of purchasing power for goods and services of about $14 million a year, but it will mean the loss of a valuable place of employment for the skilled workers now being trained in our technical

and vocational schools. It will depress the housing market when close to 1200 homeowners have to move, and it will certainly disrupt homes and families. Why is this move being promoted? It is supposedly being promoted because of economic necessity, but the report has never been made public. It has been rumoured that the savings to be made are in the nature of $1 million a year. Even if this is true, this is a relatively small amount when compared to the social and economic loss of the whole prairie region. It is a pretty poor choice that is being made.

T.C.A.'s behaviour is puzzling because it is supposed to be a publicly owned company whose main purpose is service, not profit. But this government, and the Liberal government that preceded it, have harangued T.C.A. and other crown corporations into acting like private concerns in order to show a good balance sheet, regardless of the social consequences involved. Yet the government, which promises planning every time it introduces this type of legislation which we are now discussing, permits this callous disregard of human need while preaching the virtues of planning. The type of planning envisioned by this government may prove to be worth less than nothing but it will raise the hopes of the Canadian people without really accomplishing anything.

Surely, Mr. Speaker, it is time for Canada to stop treating unemployment as if it were an incurable disease. It is time we realized that some parts of Canada, the maritimes, the prairies, parts of Quebec and parts of Ontario, like Windsor, are being underdeveloped and are falling into decline, while other parts of Canada are being overdeveloped. Every day we hear of plants moving to these favourite areas. We see housing and community facilities in other areas abandoned, while they are duplicated in the select few cities which are growing. This represents a tremendous waste of resources.

We need a new approach in this country if we are to improve our dismal record of inadequate economic growth and the resultant huge and persistent unemployment. This new approach calls for the adoption of real economic planning at both the federal and provincial levels. Only such planning can achieve the goal we should all be striving for, full employment and full production. Unfortunately, nothing which has been said by either the government representatives or the opposition to date would indicate that they have really learned anything from the difficulties in Canada or the successes in other countries, so that we can hope or expect to achieve the goals of full production or full employment from the measures which they have or are likely to propose.

[Mr. Orlikow.]

(Translation):

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I take pleasure in associating myself with other hon. members in this house in discussing the bill to establish a national economic development board for Canada.

After having listened to the remarks from various parts of the house on Canada's future economic development, I think it would be well to recall that we, in this corner of the house, are in favour of every kind of economic expansion. We want the development of all social classes, the expansion of all sections of our economy in the agricultural and industrial field, and we want, through the economic expansion of this country, to promote the solution of all problems which seem to be insoluble at this time in the world at large, and, more particularly, in Canada.

We agree that our country is to be developed. But, in some speeches, made earlier today in this house, development was favoured whereas others advocated a limited production.

We are told that our farms produce too much, so that our farmers are even threatened with a loss of subsidies if they do not decrease their production.

Well, Mr. Speaker, in order to develop our economy, we must have money. It is impossible for an industrialist, a municipality, or whoever it may be, to expand, if they lack the necessary funds, if they have no financial backing.

The daily paper *Le Soleil,* in its January 5th issue, reports the result of a survey made by Ward, Dundee and Company, which revealed that last year $839,437,738 were borrowed from the United States, in comparison with $133 million the year before.

This means that last year Canada had to go to the American market for an amount of over three quarter billion dollars to develop our Canadian economy. Yet, there is again talk of developing our economy in 1963. But how shall we proceed? Are we again to look for capital all over the world markets?

The president of the Banque Canadienne Nationale, when submitting his balance sheet for 1962, stated:

A well-informed Banque Canadienne Nationale banker emphasizes the need for Canadian capital and reducing taxes.

"The need for Canadian capital", that is the point I want to stress tonight, because, in view of our colossal debt and the interest we have to pay every year and the present

state of our economy, it is impossible to proceed with a further development of our economy without going down on our knees to obtain from foreigners the required dollars for our expansion.

Mr. Speaker, last year we were unable to develop Canada according to its needs, because our industries lacked the capital needed to finance their own development and because their production was difficult to sell.

Moreover, our university graduates are looking in vain for employment in our Canadian economy. Some 5,500 university graduates had to settle elsewhere because our Canadian economy could not absorb them.

The result of our borrowing abroad last year was that we had to pay the United States a sum of $750 million in interest or dividends. This means an average of $40 per capita, which we had to pay in interest or dividends to the Americans or other people.

Why are we unable in Canada to pay those dividends to our own people? Why does the central government in Ottawa not have its own bank to finance its operations? Why must we go to the New York and Boston markets or to the world bond market to obtain the capital required for the development of the Canadian economy?

It is useless and meaningless to talk about economic development if we cannot count on the financial institutions of our country to carry it out.

That is why I readily referred to the statement made by the president of the Banque Canadienne Nationale when he introduced his last budget.

Since the resumption of the session and this afternoon, we have heard the same word cropping up constantly in the speeches of Liberal and New Democratic party members, namely planning.

Planning is merely a word. It is not bad in itself, but it is often misinterpreted.

Planning somewhat reminds me of a fellow who has an old car with a flat tire and who would take that flat tire from the rear to put it in front. That rather reminds me of the Liberal party, which removed taxes from a certain area to put them somewhere else; a few years later, it took away the taxes from where it had put them and placed them somewhere else. And the Conservative party does the same. After a few years, it takes the same tire and puts it on the other side of the car. That does not solve the problem.

The New Democratic party, on the other hand, wants to take air from the tires where there is some left and put it in the one which is flat. That is certainly not the way to solve the problem.

But the Social Credit party really wants to solve the problem. It wants to put air back into the flat tire. What is needed in the Canadian economy and for economic development is not taxes, programs or civil servants. What we lack now is purchasing power, Canadian financing power that would be capable of boosting Canada's economic development, that would allow people belonging to all classes of society to meet their obligations and to live decently in this country of only 18 million inhabitants but with resources for a population of a hundred million.

We must also develop our cities and our municipalities. That is also part of the economic development of Canada. We have municipalities that need to be developed in the province of Quebec, particularly in my own district, the eastern townships.

It is being said that a road will be built between the cities of Sherbrooke and Montreal. Very well, we agree to that. We want this road to be built, for it should have been built a long time ago. We are being told that the estimated cost of this road for the province of Quebec would be $100 million. One hundred million dollars. That isn't so much for a road as big and as beautiful as we have been told it would be. But the silly aspect of the matter is that when we have finished paying for that road, it will have cost us $400 million. Four hundred million dollars for a road that is built today and is hardly worth a hundred million dollars. That is the silly side of the matter.

That is why Social Crediters say that it is stupid to build roads and bridges if we do not have enough money in Canada to enjoy them without having to pay for them three, four or even five times over.

Mr. Speaker, Social Crediters have been advocating for a long time the setting up of a municipal development bank that would carry out important, necessary and urgent programs.

But to think that at the end of 40 years a school costs us, in taxes and in interest especially, four times the amount it cost to build, that the construction cost of a road must be paid four times over, because Canada has not

put public funds at the disposal of the municipalities and the school boards, that is very discouraging. Municipalities, school boards and public bodies should be able to get funds from the Bank of Canada so that they can pay $100 million and not $400 million, for what is worth $100 million.

Mr. Speaker, it is not Social Credit which is inflationary but rather the present system where Canada obliges Canadians to pay $400 million for what is worth $100 million only.

We feel that this is robbery. We feel that it is a form of exploitation. In our opinion, this is bad management. Therefore we want to rectify this situation by establishing a municipal development bank.

There are projects to be carried out in all our towns and all our municipalities. But we lack public funds to implement them.

When shall we do that? Only when the Bank of Canada is at the service of the Canadian people.

Why should the federal government not have its own bank to finance its own projects to promote the economic development of our country?

Economic development is a fine thing. We all agree that it is advisable to set up a national economic development board but how are we going to do it? We will use foreign capital and, in that case, Canada's development will be for the benefit of foreigners.

The planning of the money supply to equate production, Mr. Speaker, is one aspect of planning that appeals to us. We do not want to plan production in terms of capital. Money is nothing but a tool, a means of exchange. It is a mere facility. However, we must have in Canada as many means of exchange as we have commodities to exchange. That is why we say that there is nothing to be obtained from submitting individuals, industry and social classes to planning. The role of our social classes is to develop Canada and look after production while the function of the government is to set up a system of finances to enable the social classes to exchange commodities between themselves.

We have spoken of finances, Mr. Speaker, as indeed that subject always seems to creep up in our debates. Why? Because we are in favour of economic development in Canada. We are in favour of the social legislation which is submitted to our scrutiny. We fully support the various expansion projects that are introduced because we feel that the Canadian people need them and are entitled to them. Our municipalities and school boards are in dire need but we have no public funds to implement those projects.

Instead of trying to tackle the financial problem, we are attacking individuals who are victims of it.

Mr. Speaker, those various problems concerning municipal, provincial and federal financing will only be dealt with the day we have a government who will adopt as an approach, as a policy and as a program the principle that money must not be a master, that money must not be a king, but that it must be a servant. Money will become a servant in Canada the day the Canadian parliament decides once and for all to take over the control of money and credit and to put the Bank of Canada at the service of the federal parliament, of the cities, of the municipalities and of the school boards.

Thank you.

(Text):

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Chown in the chair.

On clause 1—*Short title.*

Mr. Martin (Essex East): I do not know whether it is the intention of the minister to be in the house while the bill is in committee stage. It seems most unusual in respect of a measure to which the Minister of Finance has referred as being the most revolutionary proposal brought forward for a long time that the parliamentary secretary, at least, should not be here.

Mr. Ricard: He is unavoidably absent.

Mr. Bell (Carleton): The minister himself will be here in a few moments.

Mr. Martin (Essex East): I am grateful for that explanation because I did hear from the minister that he had to go to a meeting at 8.30, but he hoped not to be long, and that possibly, before we reached the clause by clause discussion, the hon. gentleman would have something to say.

Mr. Bell (Carleton): The hon. member is fully aware of the circumstances.

Mr. Martin (Essex East): The hon. member for Carleton knows my mind, apparently, better than I do myself.

Mr. Bell (Carleton): That would be a simple task.

Mr. Martin (Essex East): I expected that obvious retort. I will tell the junior minister of citizenship and immigration that in this particular case his knowledge is not as complete as he suggests.

Now, Mr. Chairman, having in mind the announcement made by the Minister of Finance on the resolution stage, every member of this committee had a right to assume we were going to receive from the government a proposal of the most fundamental character. I do not think I understate the feelings of members on the government side or in the opposition, nor do I think I misrepresent the feeling in the country generally, when I say there is great disappointment that this much touted measure should be as weak as a perusal of the bill clearly confirms it to be.

We were told by the minister that at long last the government, because of the existence of certain serious problems facing this nation, including our balance of payments problem, our trading relations problems and others, had decided there had to be a new technique in the Canadian pattern of administration to make the ordering of our affairs more efficient to meet the difficulties which face us at this time. We were reminded by the minister of the work which has been undertaken in France and in some other European countries. We were told by some hon. members of the recommendations which had been made by the special mission of the productivity council to Europe, and, because of those initial observations by the Minister of Finance, we all thought we were going to be presented with a new instrument in the government of our country, an instrument which would make the administration of our affairs more efficient to deal with the serious economic problems which face us. Thus, there is great disappointment, on examination of this bill, to find that it lacks even some of the stronger provisions which were to be found in the Atlantic development board measure.

What have we got? We have now a series of boards in being and others are being brought into being by this government. We have the Atlantic development board, and we all know the deficiencies of that particular instrument. We are going to have the advisory council on industrial change and manpower adjustment to be introduced later by the Minister of Labour. We have the national productivity council and now we have this economic development board. This is the board of which the Prime Minister spoke at the Chateau Laurier at the end of last week, indicating that this was the heart and the core of the long term program of this government which, he said, is prepared to face dynamically and with vigour the problems which confront the country at the present time.

Let us now examine the consequences of this proliferation of boards, referred to by the hon. member for York South the other day in his speech, when he discussed this particular proposal. As he said, when hon. members opposite dealt with the suggestion which we made in 1959, hon. gentlemen said that we would have too many boards. And now they themselves, as a result of the Atlantic development board, the national productivity council, the advisory council on industrial change and manpower adjustment, and now this economic development board, are guilty of the very proliferation which they themselves accused us of promoting when we suggested the establishment of a national economic advisory council in 1959.

There is, moreover, no co-ordination whatsoever between the various bodies. We have problems, which the Prime Minister recognized a week after the election as being of an emergent character, now to be tackled by four distinct boards, all having in fact the same purpose, all four operating under a different minister. Is it any wonder then that we recognize in the measure now before the house one that is incapable of meeting the current national situation, as a new instrument of government to supplement the activities of the government itself in seeking to cope with the various problems which face the country?

It is significant that the Minister of Finance, when he proposed this measure, not once used the word "planning". We have a right to ask the minister, as we shall when we come to discuss the clauses of the bill, whether this was an intentional omission. It is true that the minister for northern affairs used the word planning. It is true that several individual private members sitting behind the Minister of Finance used the word planning. But not the Minister of Finance. We have a right to ask the Minister of Finance, was this done by design? Because if this is the case, then we must observe that the minister does not agree with the unanimous recommendations which were made to the productivity council by the special mission to Europe of that council, recommendations which I think represent one of the most important and significant contributions made by any Canadian body appointed by the federal government for a very long time. If the minister does not want to use the word "planning" because he does not believe in it, then let him say so. If he does take that position, then we will have to recognize that this bill does nothing more than add another instrument to the Department of Finance, giving to the Department of Finance and its

minister another official or series of officials to assist him in the operation and administration of that particular department.

That is not what the minister said this bill was going to do. This was a bill which was going to enable the government as a whole—not only the Department of Finance but the government as a whole—to give greater preparatory consideration to problems such as unemployment, the relocation of industry—a corollary of that problem—our balance of payments position, our trading relation problems, our fiscal and tax problems, and the proper equation of the responsibilities between the two senior levels of government. In other words, we were going to have a bill which would do for Canada what was being done by a similar measure in France and by a similar measure in the United Kingdom.

That is not what is now before us in Bill No. C-87. There is nothing in this bill that compares with the kind of organization, for instance, that they have in France. The hon. member for York South yesterday said that we on this side of the house had talked about the system of planning in France and about the kind of national development board which had been set up in that country, but that no one but he himself really seemed to have any understanding about what they were doing in France. Well, there will be ample opportunity during the course of our discussions to ascertain precisely what we understand to be the role of the national economic development board in France, although that is not the title of that body. We will want to know whether or not the government believes in the principle underlying that particular operation in France; whether the government has in mind anything like "Neddy", the national economic development organization in the United Kingdom, the chairman of which, incidentally, happens to be the chancellor of the exchequer. We will want to know whether or not the government believes in any kind of planning. We have not advocated in this Liberal opposition planned economy, but we have said that in the light of the character of problems of the modern day economic society in Canada there has to be some kind of planning. It is not the kind of planning suggested by the socialists. It is the kind of planning which the major countries in western Europe have embarked upon with great success, to meet their economic problems. Is the government in favour of indicative planning as they have in France? Or is it in favour of the kind of planning technique of Western Germany? Are they in favour of the kind of planning which they have in Sweden? Are we entitled to have answers from the minister to these precise questions? Otherwise we will conclude that this bill is nothing but a façade, nothing but an attempt to deceive the Canadian people once again into believing that this government has taken strong action to meet these problems which face the country.

This will not be the first time that we have had bills presented by this government to the house which look good in form, which make a great public appeal, but which on analysis have been shown to be absolutely worthless and ineffective to do the job for which allegedly they are designed. How is this bill going to help, for instance, in the problem of relocating industry? A few moments ago the hon. member for Winnipeg North spoke of economic conditions in the city from which I come, of the decision of certain corporations in that community to locate elsewhere with the consequence that there have been large numbers of men and women placed in the category of unemployed persons. What is this bill going to do about this kind of problem? It will be no answer to say that this is largely a provincial problem. It will be no answer to say that this is a problem which resides with another jurisdiction. It is true that under the property and civil rights clause of our constitution the provinces alone can take action along certain lines not open to this government. But if this national economic development board is going to mean anything, it must mean that the government in this instrument is setting up a body that will be capable of working out with the provinces arrangements to meet the particular problem of unemployment which exists in certain areas such as the one from which I come and, in certain areas in the Atlantic provinces, referred to a few moments ago by the hon. member for Essex West.

What is this bill going to do about the problem of unemployment? The Minister of Finance cannot say to us, "This is not the problem of the Department of Finance; address your question to the Minister of Labour". If this bill does not set up the facility by which the government will have some supplementary assistance in providing an answer to unemployment, then it is practically worthless.

We now have a serious problem of unemployment in our country with 73,000 more people unemployed in the last reported month than in the previous one. We have close to 500,000 people out of work. It is the job of this government to find ways and means, in co-operation with labour and management to provide an answer to this problem. It is the job of a board like this one to assist in resolving the kind of situation which has resulted from our balance of payments

problem. Yet, if we look at the objects and the powers of the board we shall find that no effort is going to be made by this board to deal with problems of this character. Hence we are warranted to say that, while this bill is good in principle in that it creates the necessary framework for doing something worth while, we must say that, as it is at present, particularly in sections 9, 12 and 22, it is not capable of justifying the assertions made by the Minister of Finance with regard to its merits.

We are not told anything by the minister in this bill about what the relations between the Atlantic development board will be; what the relations between the Atlantic development board and the advisory council will be; what the relations between this economic development board and the national productivity council will be. Oh, I know we are told in the bill that there will be co-operation between this particular national economic development board and the other boards. However, we are not told how that co-operation will be effected. This board is treated as an equal of the national productivity council and of the Atlantic development board.

No one denies that the Atlantic development board is designed to meet an important area problem. We all recognize that fact and we said so when that bill was discussed, although we thought the bill was not capable of meeting the objectives which the Minister of National Revenue projected for that measure when he presented it to this House of Commons shortly before Christmas. But surely the problems facing the people in the Atlantic provinces, apart from their special severity and intensity, are not unlike the problems which face most areas of Canada at the present time. The basic problems of the Atlantic provinces are the basic problems of Canada. This national economic development board bill ought to take into account this elementary fact but this is something which it does not do.

Surely the minister cannot be allowed to pass over the extremely important report to which I have already referred, namely the report of the labour-management-government mission to Europe to the national productivity council. This is a monumental document. It represents the considered opinion of important segments of our country. I refer to management, labour, capital, government, agriculture, the universities and other important segments of Canadian thinking. On this special mission there were important men representing large corporations. They included men such as the president of the Goodrich Rubber Company, and important officials of the Canadian Labour Congress. The members of this commission were unanimous in the recommendations they made to the government.

On examination of this report hon. members will find that these men have made a careful analysis of what is done through national development boards in Sweden, the Netherlands, West Germany, France, Belgium and England, where they have resorted in varying measure to the principle of economic planning to meet the problem of unemployment and other problems, many of which we have in even greater intensity in this country at the present time. This report has concluded that the gap between labour-government-management co-operation in Canada as compared with the situation in Europe is so serious as as to warrant the conclusion that many of our problems in this country at this time arise from the fact that we have not established between labour and management under government sponsorship the confidence necessary to increase productivity so as to put us in a competitive position with other countries, with the consequence of having a salutary effect on the level of employment in our country.

Can we fully discuss this bill without having from the Minister of Finance a careful assessment of how the government looks upon this measure? Are we not entitled to ask the Minister of Finance whether or not, as the result of the passing of the national economic development board bill, the government is going to take vigorous steps at once to implement the recommendations of this particular special mission of able and representative people in our country who have come to these unanimous conclusions?

It will be no answer for the Minister of Finance to say that this is a report made to the productivity council and not a report made to the national economic development board, and that consequently we must await a discussion of the amendment to the National Productivity Council Act before receiving from the government its final appreciation of the recommendations contained in this report of this special mission to Europe of the labour-management committee of the national productivity council. If that is the reply of the minister, then we shall have had a clear indication of the meaningless intentions which the government really has in mind with regard to the implementation of Bill No. C-87, an act to provide for the establishment of a national economic development board.

The real fact is that the purposes of the national productivity council and of the Atlantic development board and of the advisory

council on industrial change and manpower adjustment are the same as the reasons which warrant our giving consideration to the setting up of a national economic development board, such as that which in principle is proposed in this bill. Is it a fact that, as a result of the co-operation between labour and management in France, it has been possible to place corporate enterprise in that country in a competitive position with other countries in Europe and elsewhere in the world? Is it true that as a result of the relationship between the farming community and government and other segments of opinion that it has been possible for West Germany to enjoy the improved economic standards which have come to that portion of divided Germany? Is it because of the establishment of "Neddy" in the United Kingdom that many of the problems of that country have been in large measure, if not fully, resolved and settled in a manner that has enabled that country to be picked out as an example of what we might do, for instance, in the matter of the relocation of industry?

Is it going to be possible under this bill for recommendations to be made to the Minister of Finance, for blueprints to be given, which will clearly establish the procedure by which it will be possible for the national government in co-operation with the provinces to take cognizance of the considerations that are now encompassed, for instance, by the town and country act in the United Kingdom and the unemployment act of the United Kingdom of 1960?

These are questions with regard to which we have a right at this stage of the proceedings on this bill to ask the minister for definite responses in order to assess the value of this measure. We believed, as we stated in this house shortly after the present government came into office, when we were confronted with high levels of unemployment and when there was every indication from all the indices that we were going to have unemployment over a period of years, that the best way to tackle this problem was to establish a national economic development body, made up of representatives of the various occupational sections of our country to enable the government to have a comprehensive view of the situation and to formulate plans by which the government could apply itself vigorously to problems which cried for solution then, and which have gone unresolved since that time. That is not what we have here today. I say to the Minister of Finance, that from the statement he made in the house before adjournment I cannot conceive that he has given any evidence that the government proposes to use this bill to resort to extraordinary action to meet an extraordinary situation in our country. I say to him that anything short of such action will not satisfy the Canadian people and will not satisfy this house.

We have discussed unemployment in this house for a number of years, since the government came into office. This is the first time that the government has come forward with a measure which in principle is capable of providing the machinery to cope with unemployment. If given the necessary power, if given the necessary consensus, if given the necessary sponsorship, this bill could do something to meet the serious problems facing us, some of which I have mentioned in a general way. But I say to the minister that there is nothing in the bill to warrant the conclusion that this is the intention and purpose that the government has in mind in the bill it has brought forward.

We shall offer amendments to the bill. We will deal with it clause by clause and we will offer our comments and our amendments which, if adopted, we believe will give the bill the character it should have and which we thought it was going to have, when the minister referred to the bill as a revolutionary measure. If this represents the minister's understanding of the word "revolutionary", I can only say that we never need fear that there will be any kind of ordinary change in this country as long as the minister is in a position to influence the character of the Canadian revolution.

A careful reading of the bill reveals clearly that it is merely a gesture. It is a façade. It is a concession to modern times begrudgingly given rather than an attempt to forge a new instrument of national development, which is what we thought the bill was going to be. That is what the Prime Minister said the bill was going to be when he spoke to the Conservative convention last week. I am sure that the Prime Minister, occupied as he is now with many questions, has not had time to read the bill or he would never have made the statement he made last Friday when speaking to the members of his party.

Today we recognize the interdependence of all sectors of our economy. We know that the farmer cannot prosper while the automobile worker goes without wages. Dislocation of one sector is rapidly transmitted with serious repercussions to another. It is no longer feasible to plan in isolation.

What then should be the aim of this legislation? I say in reply, the creation of an institutional framework for a new economic consensus, a joint seeking of ways of attaining agreed levels of national development. Nothing less than this will satisfy the Canadian people.

(Translation):

The Deputy Chairman: I am sorry, but it is my duty to inform the hon. member that his time has expired.

(Text):

Mr. Nowlan: I am prepared to have the hon. gentleman continue.

The Deputy Chairman: Does the committee give unanimous consent?

Mr. Martin (Essex East): I will have a chance later, Mr. Chairman.

(Translation):

Mr. Gregoire: Mr. Chairman, if we consider the events of the last five years, we realize that for the Conservative party, economic development has meant deficit after deficit and also the growing problem of unemployment, which has increased steadily.

On the other hand, if we consider the last 22 years of Liberal administration, we realize that to them economic development meant an increase in taxes, with a view to developing high finance and chartered banks, as it can be seen today.

That is why, after 22 years of taxes under a Liberal government, I was not too much impressed by the very eloquent speech of the hon. member for Essex East (Mr. Martin) who preceded me; it was a forceful speech, that is all. But unfortunately, he only plays second fiddle in his party. If he had been selected as leader, then I would have believed that the Liberal party would have done what he stated earlier.

But since he plays only second fiddle and the first violin changes tune quite often, Mr. Chairman, I refuse to rely in any way on what those tail-riding individuals have to say, because the leader and the fellow sitting on his left, representing the chartered banks have always been the ones who called the tune in that party.

Mr. Chairman, I have been listening to Liberal speeches for many years in the province of Quebec, and I have always thought that they were great talkers, but were actually accomplishing very little. In a word, little action is the motto of the Liberal party.

I sometimes hear that the bill should attempt to balance our international payments. Now, we realize that the imbalance started following the war and gradually developed until it reached its present situation.

This year, we are facing a balance of payments deficit of about $770 million arising mostly from the payment to foreigners, of interest and dividends out of our industries and our Canadian capital.

Mr. Chairman, I should like, in the light of the bill now before us, to develop especially this principle. It is very easy to expand our economy should we want to do so. Our natural resources are looked upon with envy by all the other countries. But, to my way of thinking, the great difficulty in the past was that we have not developed our economy by Canadians and for Canadians.

This is the purpose which must be achieved. I believe, and I am quite satisfied that hon. members in this house will want to agree with us that there might be reasons why we, French Canadians, realize more than English speaking Canadians that our economy is controlled by foreigners and that the profits are also going abroad.

If a French Canadian, wandering on one of the main streets of the metropolis of Toronto, sees an English Canadian name on the door of a firm, he is inclined to wonder who is really the owner of that company. The English Canadian, noticing the same name, automatically believes that this industry is controlled by Canadians.

When we see the name Aluminum Company of Canada on the walls of a building, we wonder who are the owners of this company. But when the English Canadian sees the same name on the same building, it is reasonable to expect that he will not have the same doubts as to the ownership of this company. It should be stated that the Aluminum Company of Canada is owned by the Mellon Bank in the United States.

When I see an English name on a building, I make inquiries about it, but an English speaking person is inclined to believe that the company is managed by Canadians because the name is English.

Mr. Chairman, my point is that foreigners, unfortunately, have too much control over our economy at the present time. As much as 75 and even 80 per cent of our economy is believed to be under foreign control.

Hence, we, citizens of a free country, who want to be free citizens, realize that, after all, we are but an economic colony of a foreign country.

Mr. Chairman, two great races make up the population of our country, Canada. They have always been proud of their freedom, of owning their country and of developing it for their own benefit.

In fact, I have never heard it said—and history has never proved it—that Englishmen, in England, would not have shed their last

drop of blood to protect the natural resources and the industry of their country. They own their country, just as the French do in France.

They make it a point of honour to develop their industry, to control their trade and their factories.

Should we believe that when those two races crossed the ocean to settle in Canada, that their blood became so much thinner that we, the descendants of those two great English and French races, should accept today, without moving, without protesting in any way, to be dominated as we are by foreign industrialists, no matter to what country they belong? Are we going to allow our natural resources, our industries and our manufactures to be in the hands, not of Canadian citizens, but of foreign companies, whatever country they may come from?

Mr. Chairman, I think it is time to bring this situation to the attention of Canadian citizens, to my fellow English speaking as well as French speaking citizens.

Some English speaking citizens criticized our educational system. They stated facts. But I think it is time that in this house, we should state some facts to our English speaking Canadian citizens so that they will realize that just like us, they must free themselves from foreign control or domination of our industries, our natural resources, our trade and in short, our country's economy.

English speaking citizens must face the situation. That situation should raise reactions among them, it should be a spur that will make them work with us so that we may become masters of our own economy, and so that when we produce and make profits every year, those profits do not always go to foreign countries like they did this year, for instance, when the Minister of Trade and Commerce (Mr. Hees) complained of a deficit of $770 million.

Speaking of that deficit, the minister said it was not a deficit resulting from the sale of goods, but a deficit caused by the fact that we must pay interest and profits to foreign countries on the development of our industry.

Canada is losing $770 million a year simply because citizens of other countries have been granted the right to come and develop our natural resources.

Mr. Chairman, I think we have there a situation which should be seriously considered by every Canadian citizen. We should try to find the means to free ourselves from this foreign control over our economy, in order to develop our country to our own advantage.

Mr. Chairman, when we realize that not only our money but also our natural resources are going to foreign countries, we cannot but come to the conclusion that there is something abnormal in this case.

The hon. member for Shefford (Mr. Rondeau) said a few moments ago that 5,500 university graduates had left Canada for want of employment. Why? Because industries are controlled, as in the case of steel plants and other fields—

The Deputy Chairman: Order. It being ten o'clock, shall I rise, report progress, and request leave to sit again at the next sitting of the house?

(Text):

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: I presume that we will go on with the matters which were announced last night for tomorrow and for Thursday and Friday. However, perhaps for the sake of clarity, the house leader might repeat what they are.

Mr. Churchill: There is no suggested change in the program announced last night. I said we would like to take on Wednesday item No. 2 on today's order paper, the freight rates reduction bill and item No. 16 dealing with the capital expenditures of the C.N.R. Thursday and Friday, we would take the estimates of external affairs.

Mr. Chevrier: Can the house leader give any indication when we will come back to this measure again?

Mr. Churchill: I live in the hope we will get to it very quickly.

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

HOUSE OF COMMONS

Wednesday, January 23, 1963

The house met at 2.30 p.m.

PENSIONS

TABLING OF ADDITIONAL CORRESPONDENCE WITH QUEBEC AND NEWFOUNDLAND

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. member for Winnipeg North Centre (Mr. Knowles) asked for the tabling of recent correspondence between the premiers of Quebec, Newfoundland and myself in connection with the amendment to the British North America Act relative to pensions. I now table the same, and if the house is agreeable it could be appended to *Hansard,* in keeping with what has been done previously.

Mr. Speaker: The right hon. Prime Minister seeks the leave of the house to have appended to *Hansard* copies of the correspondence referred to in his statement. Is it agreed?

Some hon. Members: Agreed.

[*Editor's note: For correspondence referred to above see Appendix "A".*]

EXTERNAL AFFAIRS

INDIA—CANADIAN PARTICIPATION IN AIR DEFENCE MISSION

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I wish to inform the house that as part of the continuing effort to give help and support to India in her present difficulties, Canada is to participate in a joint commonwealth-United States air defence mission which will leave London for India on January 29 at the invitation of the Indian government. The United Kingdom and Australia will also be represented in the commonwealth component of the mission. It will examine with the Indian air force the problems it faces and the technical requirements involved in organizing an effective air defence against the possibility of any further Chinese aggression. The team includes Air Commodore Mount of the Royal Air Force, Brigadier General Tipton of the United States air force, Group Captain Murray of the Royal Canadian Air Force, and officers of the Royal Australian Air Force.

I think I should point out that the mission is of a technical nature, and that its purpose is purely exploratory. Furthermore, no decisions will be taken by the mission, which is empowered only to report to the four sending governments. It will be up to each government to decide whether it will render assistance in improving the air defence of India and, if so, what type of assistance might be feasible. Furthermore, the sending of this mission does not imply any judgment concerning the prospects of success in the talks which may take place shortly between India and China. Whether such talks are going to take place at all is a subject which is today being debated in the Indian parliament.

EXPORT AND IMPORT PERMITS ACT

AMENDMENT TO CONTINUE LEGISLATION FOR FURTHER THREE YEARS

Hon. Donald M. Fleming (for the Minister of Trade and Commerce) moved for leave to introduce Bill No. C-107, to amend the Export and Import Permits Act.

Mr. Pickersgill: Explain.

Mr. Fleming (Eglinton): Mr. Speaker, the purpose of this bill is to extend the duration of the Export and Import Permits Act.

Motion agreed to and bill read the first time.

INDUSTRIAL DEVELOPMENT BANK ACT

AMENDMENTS TO PROVIDE FOR FULL TIME PRESIDENT, ETC.

Hon. George C. Nowlan (Minister of Finance) moved for leave to introduce Bill No. C-108, to amend the Industrial Development Bank Act.

Mr. Martin (Essex East): Explain briefly.

Mr. Nowlan: The purpose of this bill is to make some minor changes in the technical wording of the act and also to provide for a chief executive officer who will be directly responsible for the administration of the act, and to provide for even greater efficiency than now pertains.

Motion agreed to and bill read the first time.

Questions

PAROLE ACT

CLARIFICATION OF PROVISIONS WITH REGARD TO SENTENCE AND PAROLE

Hon. Donald M. Fleming (Minister of Justice) moved for leave to introduce Bill No. C-109, to amend the Parole Act.

Mr. Martin (Essex East): Explain very briefly.

Mr. Fleming (Eglinton): Mr. Speaker, the purpose of this measure is to clarify certain provisions of the act with regard to the relationship between sentence and parole.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*C.N.R. PURCHASES OF FOREIGN BUILT MOTOR VEHICLES

Question No. 1,212—**Mr. Martin (Essex East):**

1. How many foreign built motor vehicles has the Canadian National Railways purchased in the past year?
2. How many such vehicles does the C.N.R. now own?

Mr. McBain: The management of Canadian National Railways advise as follows:

1. Foreign, exclusive of United States: 15.
2. Approximately 50.

(Translation):

*GOLD PAYMENTS ABROAD

Question No. 1,242—**Mr. Cote:**

1. How many foreign payments have been made in the last five years in gold and how many in gold certificates?
2. What was the annual average cost of transportation of gold payments shipped abroad?
3. In what form is Canada reimbursed for its gold exports to foreign central banks, and is it with our imports?
4. Does the Canadian exchange fund buy gold from the Royal Canadian Mint with money borrowed from chartered banks?
5. What is the proportion of our payments abroad in gold as compared to our payments in paper money (bills, vouchers)?

Mr. Grafftey: 1. Nil.

2. Average cost of shipping gold to New York over the last five years was 1.66 cents per fine ounce.

3. Gold sold abroad by the exchange fund is paid for in U.S. dollars.

4. No.

5. Nil.

(Text):

CREATION OF "INDIAN DAY" IN CANADA

Question No. 1,247—**Mr. Brown:**

Would the government give consideration to the creating of "Indian day" as a day for national recognition of the Indians of Canada, and for the development of a better public image of the Indian in our national life?

Mr. McGee: The government is deeply conscious of the vital contribution of Indians to the national life of Canada.

Whether the establishment of a special day would prove to be a satisfactory manner to extend recognition to such contribution is a matter to which final consideration has not been given.

*TELEVISION APPEARANCE OF ADRIEN ARCAND

Question No. 1,251—**Mr. Fisher:**

1. Did the C.B.C. bring Adrien Arcand from Quebec to Toronto for a television appearance within the last six weeks and, if so, was this appearance put on videotape, and has it been shown or is it to be shown to the public?
2. If such a videotape exists and has not been shown, what were the factors that led the C.B.C. to kill such a viewing?
3. Has Mr. Arcand been remunerated for his expenses and services?

Mr. Halpenny: 1. Yes, the C.B.C. invited Mr. Adrien Arcand to go to Toronto, where a television interview was recorded. The interview has not been broadcast, and there are no plans for broadcasting it at present.

2. The interview as recorded was not considered appropriate in relation to the program for which it was intended. It can possibly be used in some future program, and with this in view the recording is being retained on file.

3. Yes.

INDUSTRIAL RESEARCH ASSISTANCE GRANTS, NATIONAL RESEARCH COUNCIL

Question No. 1,262—**Mr. Hellyer:**

1. What is the total amount of money committed by the national research council to industrial research assistance programs during the current fiscal year?
2. What is the name of the company, and the amount and purpose of the grant in each case?

Mr. Churchill: 1. $837,222.

2. The names of the companies and the amounts in each case are shown in the attached list.

Grants Awarded Under the Industrial Research Assistance Program as of 14 January 1963

Company	Amount
Union Carbide of Canada Ltd.	$25,600
Sherrit Gordon Mines Ltd.	30,000
John Inglis Co. Ltd.	56,250
Canadian Chemical Co. Ltd.	32,000
Canada Packers Ltd.	38,400
Anglo Paper Products Ltd.	12,500
Dominion Rubber Co. Ltd.	49,000
Industrial Cellulose Research Ltd.	19,000

Company	Amount
Maple Leaf Mills Ltd.	$10,000
Merck, Sharp & Dohme of Canada Ltd.	14,832
Dominion Engineering Works Ltd.	28,500
Ogilvie Flour Mills Co. Ltd.	12,000
Canada Carbon & Ribbon Ltd.	9,000
Canadian Aviation Electronics Ltd.	34,000
Shawinigan Chemicals Ltd.	80,000
Canadian Westinghouse Co. Ltd.	35,394
Duplate Canada Ltd.	12,233
Abitibi Power & Paper Co. Ltd.	5,700
Glidden Co. Ltd.	12,000
Dominion Tar & Chemical Co. Ltd.	19,195
The Griffith Laboratories Ltd.	4,000
Bathurst Power & Paper Co. Ltd.	7,430
Ferranti-Packard Electric Ltd.	28,750
Brewing & Malting Barley Research Institute	9,050
Northern Electric Co. Ltd.	8,000
Dow Chemical of Canada Ltd.	10,288
Canadian General Electric Co. Ltd.	35,642
Abbott Laboratories Ltd.	20,875
Canadian Refractories Ltd.	30,865
John Labatt Ltd.	17,600
Ayerst, McKenna & Harrison Ltd.	33,000
Johnson & Johnson Ltd.	8,400
Delmar Chemicals Ltd.	8,500
Automatic Electric (Canada) Ltd.	23,400
Nuclear Enterprises Ltd.	5,000
Frank W. Horner Ltd.	8,000
Imperial Oil Ltd.	7,680
Turbo Engineering Ltd.	13,600
Canadian Technical Tape Ltd.	5,000
Hunting Survey Corp. Ltd.	2,778
Rio Tinto Dow Ltd.	10,000
Dominion Briquettes & Chemicals Ltd.	3,760
Total	$ 837,222

GRADE A HOG PREMIUM

Question No. 1,273—**Mr. Pennell:**

Will there be a restoration of the premium on grade A hogs in the near future and, if so, what is the anticipated date?

Mr. Jorgenson: No decision has yet been made on the restoration of the premium on grade A hogs. However, this is a matter of continuing review and consideration.

*MILITARY AID TO INDIA

Question No. 1,275—**Mr. Martin (Essex East):**

1. On what date between the Prime Minister's statement in the house on November 20 that India's requirements had not been finally determined and his announcement to the press in Nassau on December 21, was agreement actually reached among certain commonwealth countries including Canada and the United States regarding the amount of military aid to be given to India?

2. Was any date agreed upon by the participating countries for the announcement of the amount of military aid to be given to India?

3. What is Canada's share of this military aid?

4. What items are to be supplied by Canada?

Mr. Diefenbaker: 1. During the past three months there have been consultations among the United States, Britain, Canada and other commonwealth countries which have been providing India with military assistance. In the discussions at Nassau it was felt that it would be desirable to bring together in one program all the assistance that had been provided and which might be provided in response to Indian requests. Britain and the United States, therefore, took the lead in proposing a systematic program. There is no formal agreement. The situation is rather that proposals have been made by Britain and the United States as to the size and shape of a program the United States and the commonwealth might undertake on a joint coordinated basis.

2. As will be evident from the reply to the first question the matter of an agreed date did not arise.

3. Discussions are continuing between certain commonwealth countries regarding their contributions to a joint program.

4. What further items Canada might supply depends primarily on India's requirements and the nature of the requests received from India.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CUSTOMS AND IMMIGRATION OFFICERS, ARMSTRONG, QUE.—TELEPHONE SERVICE

Question No. 1,238—**Mr. Legare:**

Has the Department of National Revenue or of Citizenship and Immigration instituted negotiations with the St-Côme-de-Beauce Telephone Company concerning installation of a telephone system in the customs and immigration offices at Armstrong, Beauce county and, if so, what decision was reached?

Mr. Halpenny: Return tabled.

QUEBEC—FEDERAL TAXES COLLECTED AND ESTIMATES APPORTIONED

Question No. 1,257—**Mr. Sauve:**

For each fiscal year from April 1, 1950 to March 31, 1962 (a) what was the total amount levied through direct and indirect taxation in the province of Quebec by the federal government (b) what was the total amount of the estimates of the federal government which were apportioned to the province of Quebec?

Mr. Halpenny: Return tabled.

LETTERS FROM PERSONS REQUESTING EMPLOYMENT

Question No. 1,269—**Mr. Knowles:**

1. Is it the practice of the Prime Minister's office, the office of the Minister of Labour and other cabinet ministers to have letters concerning employment referred to officials of the unemployment insurance commission?

2. Are the officials of the unemployment insurance commission requested to give preference in finding employment to persons writing cabinet ministers, or to persons whose letters are referred thereto by cabinet ministers?

3. Does the Minister of Labour request from officials of the unemployment insurance commission reports from time to time concerning the finding of employment for persons referred to in part 2 above?

4. Does the office of the Minister of Labour maintain a file of persons writing him, other cabinet ministers, and of persons whose letters are referred to his office until the unemployment insurance commission finds work for them?

5. Does the chief commissioner of the unemployment insurance commission or any of his officials, retain a file on what is done in response to letters received as noted in part 2 above?

6. How many letters have been handled by the office of the Minister of Labour from persons seeking employment during 1959, 1960, 1961 and 1962?

7. How many letters have been received by the unemployment insurance commission through the office of the Minister of Labour and other cabinet ministers, or referred through such offices, with respect to people seeking employment during 1959, 1960, 1961 and 1962?

8. Is preference given by the Minister of Labour and the unemployment insurance commission to persons writing to government supporters seeking employment?

9. What is the policy of the government and the unemployment insurance commission, with respect to referring to employment, workers registered with the unemployment insurance commission offices, and are they referred on (a) the recommendation of the Minister of Labour and government supporters (b) their qualifications, or (c) the length of time of their registration with the unemployment insurance commission offices?

THE AUDITOR GENERAL

DENIAL OF ACCESS TO GOVERNMENT FILES—
MOTION FOR ADJOURNMENT UNDER
STANDING ORDER 26

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave, seconded by the hon. member for York South (Mr. Lewis), to move the adjournment of the house under standing order 26 for the purpose of discussing a definite matter of urgent public importance, namely the report made to this house by the Auditor General to the effect that he was denied access to certain files, despite the provisions of the Financial Administration Act that notwithstanding any act he is entitled to free access to all files of every department and to all the information he may deem necessary to the proper performance of his duties.

I believe, Mr. Speaker, that according to standing order 26 this is the proper time on a Wednesday to raise such a motion. I am sure the house will realize that what we are discussing here, or will be if Your Honour allows the motion, is a matter which is of concern to the House of Commons. My argument that this is urgent is that an officer of the House of Commons, responsible to us, has reported to us that he has been denied a certain right to which, by statute, he is legally entitled. I feel that at the earliest possible opportunity this matter should be discussed by the House of Commons itself.

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, may I say a word about the question of urgency of debate, which is the aspect that is in order at this moment. The house is well aware that as standard practice, a practice of long standing, with regard to either the observations or the recommendations of the Auditor General in his annual report to this house, there has been a motion introduced in this house to refer the report to the standing committee on public accounts. Then in that committee there is a detailed study with the assistance of the Auditor General, his staff and other competent witnesses, examining into the contents of the report.

It is the intention of the government to follow that normal procedure, Mr. Speaker, and to do so at the earliest possible opportunity. Therefore, Mr. Speaker, there will be afforded to the house, as well as to the public accounts committee, all the necessary or desirable freedom of discussion in relation to anything the Auditor General may have chosen to say, rightly or wrongly, on this or any other subject. I suggest, therefore, that there is no urgency of debate in relation to this matter at this time.

Important business has been announced for the house this afternoon, announced last night. This business is urgently awaiting the attention of the house and I submit, therefore, there is no justification on the ground of urgency of debate to set aside the business that has been announced for today and turn to something for which there will be ample opportunity for discussion at the earliest possible date.

Hon. George C. Nowlan (Minister of Finance): I have nothing to say, except that since my name is mentioned in the report I want to concur in what my colleague the Minister of Justice has said about this matter. I should like to have it fully investigated, and I hope it will be, by the public accounts committee at the earliest possible moment. It cannot be dealt with satisfactorily by a debate here, since all the records are not available. I would hope that within the next few days the officers concerned including the Auditor General, the former minister of national revenue and anyone else, will have an opportunity of appearing before that committee and dealing satisfactorily and completely with the statement which appeared in the Auditor General's report.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the Minister of Justice and the Minister of Finance would be quite correct if the matter being raised had to do with expenditures, which could more properly be discussed in the public accounts committee. But what the hon. member for Winnipeg North Centre has raised is the fact that an officer of this house, responsible to this house, has been debarred from carrying out responsibilities which by public statute he is authorized and empowered to carry out. Therefore the matter now being raised is not a matter of dealing with expenditures but with a denial of the right of an officer of this House of Commons to discharge his properly allocated responsibilities. We suggest this is a matter which ought to be discussed by the house at the earliest opportunity, and that should be today.

Mr. Nowlan: Mr. Speaker, as a matter of privilege I would like to say there has been no denial. That is why I want this matter to go before a committee where evidence can be introduced and not allegations which have no foundation of fact.

Mr. Horace A. Olson (Medicine Hat): Mr. Speaker, we in this group feel that this is a rather serious matter which has been raised, in that the Auditor General was denied access to certain files that he felt he needed to see in order to properly discharge his duties. However, we believe the proper procedure would be to refer this report to the public accounts committee at once, so that committee could call the Auditor General and other witnesses. Then when that committee reported back to the House of Commons we would know specifically what it is he thought he ought to have access to and the files to which he was denied access.

Our position is that we should have this report referred to the public accounts committee, and we urge that they take this matter up at once and call the Auditor General so that we shall know what we are talking about when we debate the matter in the house.

Mr. Fleming (Eglinton): Mr. Speaker, there is one other aspect of the matter to which I ought to have referred when addressing you earlier, and that is this. The observations of the Auditor General are contained in a report in which he reviews the public accounts for the year ended March 31, 1962. His observations do not have anything whatever to do with anything of recent occurrence or anything that is current at this moment. He is drawing attention to something which occurred during the fiscal year 1961-62, and this is another reason why this matter can be just as properly discussed tomorrow, the next day, or at any early date as the house decides. It is not going to change its nature, its position or its condition by following the usual course.

I might say also that if the house were prepared to give unanimous consent the government would be prepared to ask the house right now to pass the motion that is annually introduced to refer the public accounts, and the report of the Auditor General thereon, to the public accounts committee for study.

Mr. Speaker: Examining the proposed motion I feel that it refers to a situation which has existed for some considerable time. Further, first in view of the fact that there may be a difference of opinion as to the legal effect of the two acts and second that I also would draw attention to the point that the question that is raised must be so pressing that public interest will suffer if this matter is not given immediate attention. With the greatest respect to the hon. member I feel that, whether certain files in the hands of a ministry have or have not been examined by the Auditor General does not raise in my mind such a matter of vital interest that public interest will suffer if it is not given immediate attention.

We know that in due course the report of the Auditor General will be referred to the public accounts committee, where witnesses may be summoned and questioned, which cannot be done at this time in this house, and that opinions of legal officers may be obtained, which also cannot be done at this time in this house. Further I would urge upon hon. members the fact that this is a most extraordinary remedy, to put aside the whole business of the house to discuss a matter of this nature, in other words to suggest that there is such great urgency of debate that the rest of the business of the house must wait.

I think on both these counts this motion does not meet the requirements of section 26; therefore I cannot accept it.

MOTIONS FOR PAPERS

TELECOMMUNICATIONS CONTRACT FOR RADIO STATIONS

Motion No. 59—**Mr. Cowan:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence dated August 15, 1962 to December 1, 1962, between the government of Canada or any minister, department or agency thereof and the Canadian Broadcasting Corporation, the Canadian National Railways, the Canadian Pacific Railway and the Bell Telephone Company of Canada, respecting the contract for telecommunications for the approximately 195 radio stations, the previous ten-year contract having been replaced by a new contract effective October 1, 1962.

Mr. Halpenny: Unfortunately I have not had an opportunity to discuss this matter with the hon. member for York-Humber. We have as yet not ascertained what correspondence relates to this subject, and I would therefore ask that the motion be allowed to stand until we know exactly what is involved.

Mr. Cowan: When this motion was made I was assured they would be produced in one week's time. That was just before the Christmas recess.

Mr. Halpenny: That is true and I must say "mea maxima culpa". I am to blame that this material is not here. However, I can assure the hon. member that he will have them very shortly.

Motion stands.

EDUCATION OF INDIAN POPULATION, TIMISKAMING CONSTITUENCY

Motion No. 61—**Mr. Peters:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence between the government of Canada, its officials and agents thereof and the government of Ontario, or its agents and other interested persons and organizations regarding the education of the Indian population in the riding of Timiskaming.

Mr. Bell (Carleton): The hon. member has kindly agreed to specify the period in which he is interested and to add to the motion the words "since January 1, 1960". Subject to this amendment, and the reservation with respect to privileged communications and the consent of the government of Ontario, there would be no objection to the motion.

Mr. Speaker: Is the hon. member prepared to add those words?

Mr. Peters: Yes, Mr. Speaker.

Mr. Speaker: Is it the pleasure of the house to adopt the motion as amended, subject to the reservations indicated by the minister?

Some hon. Members: Agreed.

Motion agreed to.

REMOVAL FROM WINNIPEG TO MONTREAL OF T.C.A. OVERHAUL BASE

Motion No. 62—**Mr. Knowles:**

That an order of the house do issue for a copy of any reports concerning the moving of the maintenance and overhaul base of Trans-Canada Air Lines from Winnipeg to Montreal obtained by T.C.A. from Wallace Clark or any other firms of consultants.

Mr. Balcer: I have explained to the hon. member for Winnipeg North Centre that the management of the crown company concerned considers this to be an internal document. However, there would be no objection to the production of a résumé of the document if that is agreeable to the hon. member.

Mr. Knowles: Agreed.

Mr. Speaker: Subject to the limitation indicated by the minister and accepted by the hon. member, is it the pleasure of the house to adopt the motion?

Motion agreed to.

CORRESPONDENCE WITH GOVERNMENT SEEKING EMPLOYMENT

Motion No. 63—**Mr. Knowles:**

That an order of the house do issue for a copy of all correspondence received by the Minister of Labour directly, or referred to him by other cabinet ministers and members supporting the government, from persons seeking employment, and the replies thereto from the Minister of Labour or his office, dated since January 1, 1959.

Mr. Starr: All files dealt with and completed for 1959 have been destroyed with the exception of those on which there has been recurrent correspondence. Available files on this subject number some 15,000, and in each of these files there are approximately from five to 20 letters, including replies from the minister.

This, we estimate, would involve some 150,000 copies of letters. If four copies were made of each letter, as required by this motion, the number of copies would be brought to over half a million. In view of this I suggest to the hon. member that in order to save the expense of this return he is welcome to come to my office and look through these files of letters if he wishes to do so.

Mr. Knowles: Apparently there is a great deal more correspondence concerning the subject of unemployment than we have been led to believe. As to the minister's offer, I will consider it and withdraw the motion until I have done so.

Order discharged and motion withdrawn.

WINNIPEG—HEALTH OF SCHOOL CHILDREN IN RELATION TO SMOKING

Motion No. 64—**Mr. Knowles:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, dated since July 1, 1962, exchanged between the Minister of National Health and Welfare and the Winnipeg school board concerning the subject of smoking in relation to the health of school children.

Mr. Monteith: I do not believe there is actually any such correspondence, but I am having this looked into. I wonder if, in the meantime, the motion might stand.

Mr. Knowles: I will let the motion stand, and I will show the minister a copy of a letter he has received.

Motion stands.

REGULATIONS RESPECTING EXECUTION OF DEATH SENTENCES

Motion No. 65—**Mr. Matheson:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all regulations made by the governor in council pursuant to section 653 of the Criminal Code of Canada with respect to the execution of sentences of death.

Mr. Fleming (Eglinton): Might I ask the hon. member to allow this motion to stand?

Mr. Matheson: Agreed.

Motion stands.

BUSINESS OF THE HOUSE

SEQUENCE OF SPEECHES IN EXTERNAL AFFAIRS DEBATE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I wish to address a question to the Prime Minister. Having regard to the fact that tomorrow we shall be discussing defence policy on the estimates of the Department of External Affairs, I should like to ask the Prime Minister whether the normal sequence of speeches could perhaps be changed so that immediately after the Secretary of State for External Affairs has introduced his estimates a statement could be made by the Minister of National Defence on defence policy. This would facilitate discussion by the house of this vitally important matter.

Right Hon. J. G. Diefenbaker (Prime Minister): It is not for the Prime Minister to direct the sequence of the discussion tomorrow. It will be the regular sequence which has always been followed. The hon. gentleman will therefore have an early opportunity of placing before the house the views he has expressed outside the house.

Mr. Pearson: A supplementary question. In view of the fact that this is the first time within my knowledge that the affairs of two departments are to be discussed under the estimates of one department—a proposal made by the Prime Minister himself—does the right hon. gentleman not agree that the proposal I have made, if the opposition groups agree to it, is a reasonable one so that we might have a statement from the Minister of National Defence on defence policy?

Mr. Diefenbaker: It was in answer, I think, to a general request that an opportunity be given to hear the views of the house on the question of defence that I suggested that when the estimates of the Department of External Affairs were up for consideration, interrelated as, naturally, foreign affairs are with defence, there would be an opportunity for the opposition to give the house the benefit of its views.

Hon. Paul Martin (Essex East): May I direct a question to the Minister of National Defence. In view of the fact that we have not had from the government for almost a full year, any statement with regard to national defence policy, will the minister say if it is his intention to make a statement in the external affairs debate tomorrow at the earliest opportunity so the country may know what position the government takes with regard to so vital a matter?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I did not realize that hon. gentlemen opposite were so anxious to hear me speak. I should like to thank them for that interest. I think they can be assured that there will be a statement in connection with defence before the debate is ended, but why they should try to insist on when it should be made I do not know.

REFERENCE TO COMMITTEE OF AUDITOR GENERAL'S REPORT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the Minister of Justice said earlier this afternoon that the government would be prepared, if they can get unanimous consent, to refer the Auditor General's report to the public accounts committee. May I ask whether the government is prepared to make such a motion? I would indicate that as far as this group is concerned we would be prepared to give our consent.

Right Hon. J. G. Diefenbaker (Prime Minister): I am glad the hon. gentleman has brought that up. I intended, in view of the discussion earlier, so to move, and with the consent of the house I would so move. I realize that this is not the proper time, and I will have to revert to motions, but I will move that the report of the Auditor General be transmitted to the public accounts committee. After questions are finished, if the house will agree, Mr. Speaker, that we revert to motions I shall so move.

(Translation):

ARTS, LETTERS AND SCIENCES

SUGGESTED ROYAL COMMISSION TO STUDY CANADIAN CULTURAL SITUATION

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, my question is directed to the Prime Minister.

Inquiries of the Ministry

Would the Prime Minister tell us when he intends to make his statement on the appointment of a royal commission on biculturalism?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I can assure the hon. member that I shall personally discuss that matter in the near future.

Mr. Gregoire: A supplementary question, Mr. Speaker. What do the words "in the near future" mean in the Prime Minister's mind?

Mr. Diefenbaker: In the near future.

Mr. Gregoire: Another supplementary question, Mr. Speaker—

Mr. Speaker: I wonder what else can be asked to explain the answer: "in the near future".

Mr. Gregoire: Mr. Speaker, a supplementary question. Do the words "in the near future" mean more or less than a month?

[*Later:*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Prime Minister. Could the Prime Minister tell us whether the inquiry on biculturalism will take place in the ten provinces of Canada?

(Text):

Mr. Diefenbaker: Mr. Speaker, when a complete announcement is made covering that situation the information will be made available. However, I would point out this fact; that the idea of the government is, in the spirit of confederation, to convene a meeting of the various provinces and representatives of the provinces to the end that these provinces, representing as they do all four political parties, will be able to arrive at a conclusion mutually acceptable and consonant with the unity of our country.

(Translation):

[*Later:*]

Mr. Gilles Gregoire (Lapointe): A supplementary question, Mr. Speaker. At that time, will the various groups concerned throughout the country be able to make representations during this conference between the ten provinces and the federal government?

(Text):

Mr. Diefenbaker: Mr. Speaker, that is a matter for determination by the conference when it meets. I would not want to endeavour in the slightest degree to determine the course of such a conference. It will be one rather unusual in its nature and one that, for any decision to be made, will have to be representative of the views generally of the premiers of the provinces and of the government of Canada at the conference.

Mr. Langlois: Will that conference meet before the next election, so that we can have the Conservative party on that side?

(Translation):

[*Later:*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct another question to the Prime Minister to ask him whether the premiers of the ten provinces have accepted to participate in the national conference on bilingualism?

(Text):

Mr. Diefenbaker: Mr. Speaker, the invitations are now being prepared. There has been no suggestion yet on the part of the provinces as to what their reaction will be. However, having regard to the general feeling as evidenced in several previous dominion-provincial conferences, and also the conference that was called at the instance of the Minister of Justice with regard to the terms upon which we could repatriate our constitution, I am sure there will be general acceptance of the invitation. Indeed, the need for action along this line has been generally agreed for some time.

(Translation):

[*Later:*]

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to put a supplementary question. In the reply he gave earlier, the Prime Minister said that this will be done in the near future. Does this mean it will be tomorrow come never?

(Text):

PUBLIC SERVICE

PROVISION OF ADEQUATE STAFF FOR AUDITOR GENERAL

On the orders of the day:

Mr. Walter L. Gordon (Davenport): Mr. Speaker, I should like to ask this question of the Prime Minister, referring to the report of the Auditor General for the year ended March 31, 1962, and his need for additional staff. Will the Prime Minister request the unanimous consent of the house to permit the Auditor General, with the approval of the treasury board but without reference to the civil service commission, to recruit the small professional staff he requires to carry out his responsibilities to parliament?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, even if the house gave unanimous consent I am sure the hon.

gentleman would agree that such consent would be inoperative unless the Civil Service Act and probably the Financial Administration Act were amended. Certainly it has never been my experience that statutes had ever been changed in this house by the action of consent of the House of Commons, without reference to the other place.

SHIPPING

COASTAL TRADE—INQUIRY AS TO DISCUSSION WITH U.K. PRIME MINISTER

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Prime Minister and ask whether in his discussions with the Prime Minister of Great Britain at Nassau there was discussed the question of the restriction of coastal trade from the lower St. Lawrence to the head of the great lakes?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, it is difficult to answer that off the cuff, but I have no recollection of that discussion having taken place.

Mr. Chevrier: Then could I ask a supplementary question. What is holding up the implementation of government policy as announced by the Minister of Transport on May 12, 1961, that the government had decided to limit the coastal trade from the lower St. Lawrence to the head of the great lakes?

Mr. Diefenbaker: Mr. Speaker, legislation in regard to this matter, and not necessarily directly concerned with this matter, is under consideration by the government.

TRANS-CANADA AIR LINES

MEETING WITH GOVERNMENT RESPECTING TRANSFER OF FACILITIES

On the orders of the day:

Mr. R. J. Teillet (St. Boniface): Mr. Speaker, I do not know whether I should place this question before the Prime Minister, the Minister of Transport, or perhaps the Minister of Veterans Affairs. I wonder whether we might be informed as to when the Manitoba delegation concerning the Trans-Canada Air Lines move will be met by the government.

Hon. Gordon Churchill (Minister of Veterans Affairs): The information I have is that the delegation will be here next Tuesday.

SPORTS

HOCKEY—INQUIRY AS TO GRANT TO TRAIL SMOKE EATERS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address an almost embarrassing question of urgent national importance to the Prime Minister. Has the Prime Minister received a request from the interservice council of the city of Trail for financial assistance to the world champion Trail Smoke Eaters to go to Sweden early in March this year and, if so, is he giving favourable consideration to this request? These will be the representatives of Canada.

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I think there have been suggestions by the Minister of Public Works to the effect that some consideration should be given in this regard. Certainly the advisory council under the Fitness and Amateur Sport Act has advised that we contribute to the Canadian amateur hockey association, and this has been done, with a view to some further consideration possibly being given to the Trail Smoke Eaters.

POWER

COLUMBIA RIVER—REFERENCE OF TREATY TO HOUSE COMMITTEE

On the orders of the day:

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. I wonder whether he could tell the house what is now standing in the way of an immediate reference to the committee on external affairs of the contents of the Columbia treaty.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, the position of the government has been made perfectly clear on this question on various occasions. We have said that before we seek ratification of the treaty it will be referred to the standing committee.

[*Later:*]

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I should like to direct a question to the Prime Minister. It is related to the question asked by the hon. member for Vancouver South (Mr. Laing). Will the Prime Minister refuse to accept the resignation of the Minister of Public Works until he has had an opportunity to appear before the external affairs committee in order to explain his position with respect to the Columbia river treaty?

Mr. Speaker: Order. In so far as the resignation of any minister is concerned, I think the question is quite hypothetical. I therefore do not think the question should be allowed.

Inquiries of the Ministry

TRANSPORT

RAILWAY BRANCH LINES—ATTENDANCE OF MARITIME PREMIERS AT MEETING WITH GOVERNMENT

On the orders of the day:

Mr. Sherwood H. Rideout (Westmorland): Mr. Speaker, I should like to direct a question to the Minister of Transport. Has an invitation been extended to the maritime premiers to attend the meeting which is being held with the prairie premiers to discuss branch line abandonment?

Hon. Leon Balcer (Minister of Transport): No, Mr. Speaker, no such request has been received.

(Translation):

EXTERNAL AFFAIRS

CUBA—CONSULTATION BETWEEN U.S. AND CANADA

On the orders of the day:

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

Is the Prime Minister aware that Canada would have been consulted during the Cuban crisis if it had been a member of the Organization of American States?

Mr. Speaker: That is a matter of opinion.

(Text):

CUBA—INQUIRY AS TO REPORTED ARMS BUILD-UP

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. I wonder whether the minister is in a position to give the house any information with respect to the alleged arms build-up in Cuba.

Hon. Howard C. Green (Secretary of State for External Affairs): No, Mr. Speaker.

HEALTH AND WELFARE

INQUIRY AS TO HEALTH PROTECTION IN NORTHERN AREAS

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, I wish to direct a question to the Minister of Northern Affairs and National Resources. On Monday I asked the minister what steps his department was taking to protect Eskimos and other Canadians in northern Canada in view of the disclosure that fall-out had reached dangerous levels in that area. The minister was good enough to say he was moving as rapidly as possible to ascertain the facts. Has he anything to advise the house today with regard to that situation?

[Mr. Speaker.]

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, in the absence of the Minister of Northern Affairs and National Resources, may I take the question as notice.

OLD AGE PENSIONS

INQUIRY AS TO INTRODUCTION OF CONTRIBUTORY SCHEME

On the orders of the day:

Hon. Paul Martin (Essex East): I wish to direct a question to the Minister of National Health and Welfare. Will the minister say if the government is prepared to introduce a contributory scheme of old age security modelled on the United States pattern, to the extent at least that such a plan is not precluded under section 94a of the British North America Act?

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, as is well known by the hon. member for Essex East, the government has been considering this matter. As soon as a decision is reached the house will be informed in the usual manner.

Mr. Martin (Essex East): That is just the opposite of what the Prime Minister told the house.

COMBINES

DRUGS—INQUIRY AS TO REPORT

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): I should like to ask the Minister of Justice a question in view of the promise he made on December 6, 1962, that the report of the restrictive trade practices commission would be ready by the end of December, 1962. Is that report now ready for distribution. If not, what is holding it up?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, the report is not yet completed. However, I am informed that I may expect to receive it any day now. It will, of course, be some time after that in the usual course before the report can be made ready for publication. I refer the hon. member to the terms of the statute in that regard.

Mr. Haidasz: I have a supplementary question. In view of the fact that the select committee on food and drugs will be meeting tomorrow in order to draw up its agenda, and as one of the problems to be discussed is the price of drugs, could the Minister of Justice offer the preliminary report to the members of the committee as soon as he has it?

Mr. Fleming (Eglinton): No, Mr. Speaker, that is not possible. If the hon. member will look at the statute I think he will understand why.

IMMIGRATION

JOINT PROVISION OF FACILITIES AT LACOLLE, QUE.

On the orders of the day:

Mr. John B. Stewart (Antigonish-Guysborough): Mr. Speaker, I have a question for the Minister of Citizenship and Immigration. When the government arranged to co-operate with the Delaware and Hudson railway company and American Export Lines for the joint provision of immigration facilities at Lacolle, Quebec, as announced in this house on January 21, was it realized by the government that this arrangement almost certainly would be harmful to the ports of Halifax and Saint John, and what consideration led the government to proceed with these arrangements, nevertheless?

Mr. Speaker: Order. I think the hon. member will recognize the fact that not only is an opinion being expressed in the form of the question, but that he is also inviting argument. As a third count, I do not think the question is of that urgency that the information is required at the present time. If the hon. member will recast his question and put it on the order paper I think he will get a proper reply.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I rise on a point of order. The hon. gentleman was asking a supplementary question about an answer which was given by the Minister of Citizenship and Immigration in this house on Monday, which revealed that the department was getting financial assistance from a United States company in order to facilitate immigration through the port of New York, something which the hon. member suggests is to the detriment of Halifax and Saint John. It seems to me that is an urgent matter which the minister should be allowed to answer.

Mr. Speaker: I am sorry that I cannot share the opinion of the hon. member in this regard, that it should be answered at the present time.

Hon. Richard A. Bell (Minister of Citizenship and Immigration): In view of the inference that has been drawn, Mr. Speaker, I should like to say that there is no possibility of the ports of Halifax and Saint John suffering thereby.

Mr. Speaker: We are now getting right into the argument that I anticipated.

(Translation):

CANADIAN BROADCASTING CORPORATION

TELEVISION COMMENTS BY GEORGES LANGLOIS

On the orders of the day:

Mr. Marcel Bourbonnais (Vaudreuil-Soulanges): Mr. Speaker, I should like to direct a question to the Secretary of State. Could the minister inquire from the C.B.C. why they have decided to hide from the public the fact that Mr. Georges Langlois, a reporter who is not known to be affiliated to any newspaper and who is an employee of the national Liberal federation, when he made comments on television last Monday—

Mr. Speaker: Order. The hon. member is expressing a controversial opinion.

Mr. Bourbonnais: I rise on a question of privilege, Mr. Speaker. I feel that is inadmissible on the part of a crown corporation and I would ask the minister—

Mr. Speaker: Order. There is no point of privilege here. Perhaps the hon. member could have his question placed on the order paper as long as it is properly phrased.

TRANSPORT

RICHELIEU WATERWAY—INQUIRY AS TO REPORT OF SUBCOMMITTEE

On the orders of the day:

Mr. Lucien Cardin (Richelieu-Vercheres): Mr. Speaker, may I put a question to the Minister of Transport? Could the minister tell the house whether the sub-committee of the boundary waters commission, established a few months ago to consider the dredging of the Richelieu river has begun its sittings and when it expects to be in a position to submit its report?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, my hon. friend should know that the boundary waters commission comes under the jurisdiction of my colleague the Secretary of State for External Affairs.

(Text):

Mr. Cardin: Mr. Speaker, may I redirect my question to the Secretary of State for External Affairs. Can the minister inform the house whether the subcommittee of the international joint commission which was organized a couple of months ago to study the Champlain waterway has commenced its studies on the project, and is any first report to be expected?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I shall have to make inquiries about this matter.

However, the report of a subcommittee like that would not be made to the house. I think the report would be made to the commission.

Hon. Lionel Chevrier (Laurier): May I ask the minister a supplementary question. Has the government given any consideration to amending the terms of the Boundary Waters Act in order to include in it certain economic and other matters, as suggested by the chairman thereof in a speech in Montreal recently?

Mr. Green: No, Mr. Speaker, there is no such intention at the present time.

(Translation):

[*Later:*]

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct to the Minister of Transport (Mr. Balcer) a question arising from the one I asked the Prime Minister about coastal trade?

Has he or has the government put an end to the discussions on coastal trade with the commonwealth countries?

Hon. Leon Balcer (Minister of Transport): The answer is yes, Mr. Speaker. Besides, I made reference to that matter in the house a few months ago.

(Text):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Guy Crossman (Kent, N.B.): I should like to direct a question to the Minister of National Revenue. Could the minister advise the house if the offer made by the hon. member for Charlotte to take over the expenses of having a customs office at Campobello is being considered?

Mr. Speaker: Order. I think this is very definitely not a question for orders of the day.

FISHERIES

REFERENCE TO COMMITTEE OF REPORT OF NORTH PACIFIC COMMISSION

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Fisheries. Is the minister prepared to make arrangements to have the report of the recent meeting of the international north Pacific fisheries commission referred to the marine and fisheries committee for its consideration at an early date?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I will take this question under advisement.

POST OFFICE DEPARTMENT

FORT ST. JOHN, B.C.—REPORTED FAILURE TO REINSTATE EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Postmaster General. In the light of the answer the minister gave yesterday to the hon. member for Vancouver-Burrard, to the effect that she had not had any recent representations concerning the situation in the post office at Fort St. John, will she take another look at this matter if I send her a petition signed by 1,137 persons protesting the failure to reinstate certain employees.

Hon. Ellen L. Fairclough (Postmaster General): Mr. Speaker, I received a copy of the petition in the mail this morning.

Mr. Knowles: May I ask the hon. lady a supplementary question. Will she give consideration to the request set out in this petition?

Mrs. Fairclough: Mr. Speaker, I draw to the attention of the hon. member that this is a matter which was considered by the civil service commission and not by the Post Office Department.

PUBLIC ACCOUNTS

REFERENCE TO COMMITTEE OF PUBLIC ACCOUNTS AND REPORT OF AUDITOR GENERAL

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, with leave of the house I would ask you to revert to motions now.

Mr. Speaker: The Prime Minister seeks unanimous consent of the house to revert to motions. Is it agreed?

Some hon. Members: Agreed.

Mr. Diefenbaker: Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Nowlan)—

Mr. Douglas: Mr. Speaker, could I make a request of the Prime Minister before he moves his motion? I wonder whether in his motion, in addition to referring the report of the Auditor General to the public accounts committee, he would include also the public accounts for the year ended March 31, 1962.

Mr. Diefenbaker: Mr. Speaker, I took the earlier recommendation. I move, seconded by the Minister of Finance (Mr. Nowlan):

That the public accounts, volumes 1, 2 and 3, and the report of the Auditor General for the fiscal year ended March 31, 1962, be referred to the standing committee on public accounts.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, normally, of course, this motion requires 48 hours' notice for the very good reason that this gives members of the house an opportunity to consider the matter and take part in any discussion which is required because a motion of this kind is debatable under standing order 32. Even if unanimous consent is given, and we are not refusing to give unanimous consent, this motion immediately becomes debatable. Therefore, if the hon. member who introduced a motion to adjourn the house earlier today sees fit and so desires he can, of course, discuss the matter on this motion. I call this to the attention of members of the house because we are now giving unanimous consent at the request of the government to a motion which now becomes debatable and we can do now what we were not able to do a few moments ago.

Mr. Starr: That was a stroke of genius.

Mr. Walter L. Gordon (Davenport): Mr. Speaker, in rising to say a word or two on this motion I should first like to thank the taller hon. member for Halifax (Mr. McCleave) for his suggestion that I might be preaching for a call. I can assure him that I have no interest in this particular position of Auditor General and I doubt very much that the members of his party would appoint me to that position.

Mr. McCleave: I meant office boy, Mr. Speaker.

Mr. Gordon: I do wish to say how important the position of the Auditor General is. It is a position to which the incumbent is appointed by the members of parliament and he is responsible to parliament. The audit that he carries out is one of the vital checks on the way public funds are expended. Another vital check, of course, is the review by this house of the departmental estimates.

Mr. Speaker: Order. It may be that certain members are not interested in hearing what the hon. member has to say but at least the Chair is and the Chair would appreciate it if the hum of conversation could be moderated so that we can hear what the hon. member has to say.

Mr. Gordon: If the Auditor General is hindered in any way at all, or for that matter if there should be any impediment placed on members of this house in their examination of departmental estimates, then parliament would be at the mercy of any government that might wish to take the law into its own hands.

Mr. Baldwin: Like the last government.

Mr. Gordon: The Auditor General has been saying for some time that he needs more staff. If this request is not granted, and it has not been granted over quite some period of time, then the Auditor General cannot do his job properly. He cannot audit the books of the government properly. This is something that I am sure all members of parliament would take as a very serious impairment on their rights as members of this house.

I suggest that the establishment of the Auditor General should be reviewed regularly every year. Because if he has to make the kind of statements that he made in his annual report for the year ended March 31, 1962, if he has to say he is unable to get the kind of staff and a sufficiency of staff to do his job properly, then not unnaturally this creates suspicion as to whether public moneys are being spent properly and in accordance with the approval given by parliament. I understand that the Auditor General has made the request on more than one occasion to the public accounts committee that he should be permitted as an officer of parliament and with the approval of treasury board to recruit his own staff, which is a very small professional staff.

I asked the Minister of Finance (Mr. Nowlan) about this yesterday and he referred me to the Secretary of State (Mr. Halpenny), through whom it might be possible, at some time, to get some information from the civil service commission on this subject. Other hon. members have, during this session, asked for information from the Secretary of State about a number of things, and they have found that that information was not always forthcoming very quickly. It takes some time and some prodding. We have had an example today of the fact it takes a great deal of prodding to get this kind of information.

In the meantime, the Auditor General is not in a position to get on with his job. It has been suggested that the Auditor General has not found the civil service commission too co-operative in so far as his requests are concerned. I understand that the civil service commission is now advertising for staff for the Auditor General, but the salary scales proposed are not likely to attract very many qualified members of the profession to which some of us belong. If this situation continues, we will find the Auditor General is simply not in a position to do the work we rely on him to do.

I have had some experience in this matter of auditing. I can say from my experience that it is not possible for a man, with the kind of responsibility we expect this servant of parliament to accept, to do his job unless he

has not only sufficient staff but a well qualified staff. I thought, therefore, it would not be considered an unusual request on my part to suggest to the Prime Minister that he should facilitate the Auditor General's request to obtain this staff.

The Prime Minister did not see fit to comply with my request. Perhaps, therefore, in speaking on this motion I may put it in a slightly different form. I suggest that the Prime Minister should use his best influence to see that the necessary qualified staff is provided to the Auditor General and without delay. If the Prime Minister wishes to pass this request along to the Minister of Finance, and the Minister of Finance takes it seriously as I think he should, something would be done and done quickly. It is because I feel so strongly on this particular point, Mr. Speaker, that I decided to speak on this motion. I am sorry the Prime Minister is not in the house. I hope he will read *Hansard*, and I hope he will do something about this matter.

Mr. Horace A. Olson (Medicine Hat): I should like to make a few comments on this motion that has been brought before the house, Mr. Speaker. We in this party agree with what the Auditor General had to say in his report concerning the withholding of files containing information relating to the indebtedness of some people to the crown. We do feel, as the Auditor General has pointed out, that all moneys must be fully accounted for, and that the rules and procedures followed should be efficient in procuring an effective check on the expenditures and receipts of the Receiver General of Canada.

We do not, however, believe that we can effectively investigate this matter during this debate. It would be better, in our opinion, if we were to have this matter discussed in the committee stage or in the committee on public accounts. Then, we could call the Auditor General and ascertain from him exactly what the total amounts were that were involved and the reasons he felt these files were required in order to enable him to make a complete statement of all public moneys. Then, perhaps, in this committee we could call the members of the treasury board who approved the withholding of these files. We feel all this would be necessary so that we would know why they deemed it necessary to give permission to withhold the files from the Auditor General when he was making his report.

In closing, I just want to say we feel this matter can be more effectively investigated if we go to the committee first, then take the committee report back to the house and debate it. May I say a word or two about the matter of staff? We in this group realize, too, that it is necessary to have sufficient competent staff to audit the books of the federal government. If the Auditor General can indicate to our satisfaction that he does not have a sufficient number of competent people, then we should take whatever remedial action is necessary to ensure that this staff is provided for him.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it is not often that I get an invitation from some other corner of the house to make a speech. Although it has happened before, I appreciate it very much, coming as it did today from the Leader of the Opposition. In return for his generosity in pointing out that I now have the right to make the remarks I sought to make earlier, I should point out to other members of the house that on the Prime Minister's motion much more is in order by way of debate than would have been in order on the motion I sought to make. I sought to raise for discussion simply one question, one which to me is the most serious point raised in the Auditor General's report; but under the terms of the Prime Minister's motion hon. members can debate anything that is brought before us in the Auditor General's report that we now have, and in the public accounts for the year ended March 31, 1962.

However, Mr. Speaker, I wish to take only a few minutes to emphasize the seriousness of the point that the Auditor General has made in paragraph 95, on page 42 of his report to the House of Commons for the fiscal year ended March 31, 1962. As a matter of fact I think this paragraph of the Auditor General's report should be on the record. It reads as follows:

> Access to taxation collection files refused. In December 1961 the treasury board approved the withholding of amounts payable to three taxpayers to be applied towards reduction of their indebtedness to the crown with respect to income tax for the years 1954 to 1960. As such a step indicated a failure of normal collection procedure, we requested the relative head office collection files for audit examination. On the instructions of the Minister of National Revenue—

The minister of national revenue at that time was the hon. gentleman who is now the Minister of Finance.

> —these files were not made available to us by the taxation division and we were informed that the minister intended seeking the opinion of the Department of Justice with respect to our right of access to such files. Up to the date of this report we have not been advised regarding any such opinion although we directed inquiries to the taxation division on two subsequent occasions.

The issue here, and this is the reason I raised it, relates not just to three particular files which, as Your Honour pointed out, go back a number of years. The issue before us

here is whether or not an officer responsible to the House of Commons is being impeded in the exercise of his duties by a member of the executive, the present Minister of Finance, the former minister of national revenue.

Mr. Speaker: Order. I have some question in my mind about the exact relevancy of discussing in detail any and all features of the Auditor General's report on a motion to refer to a committee. I feel that it does not make too much logic, and I would draw attention to hon. members that it has been said many times to the house that the whole contents of a subject cannot be canvassed on a motion to refer to a committee, nor can those things in detail which might be raised regarding it.

I think we have had many precedents in that regard and I feel that it would be illogical to discuss and debate beforehand, before the hearing of evidence, and engage in any conclusive debate on the subject matter of it. The matter before us is the advisability of referring a certain report to a certain committee, and if hon. members will limit themselves to that we shall make better progress.

Mr. Knowles: Mr. Speaker, I will not take any time to argue with your ruling because what I want to say can be said within the four corners of what you have ruled. It is in order under standing order 32 to debate a motion "for reference to a committee of a report or any return laid on the table of the house." That is what I am now doing, and I am arguing that one of the reasons why this report of the Auditor General should be referred to the committee on public accounts for immediate examination is that the report brings to our attention what, in my view, is a serious interference with the rights and privileges of an officer responsible to this House of Commons.

It is not necessary for me to make any further reference to the report of the Auditor General for the purpose of making my argument, but I feel that this is the place, here on the floor of the House of Commons, where it should be drawn to the attention of the committee that we as members of the House of Commons regard this matter as very serious.

The Financial Administration Act was passed by the House of Commons, as well as by the other place, and it is on our statute books. Under the Financial Administration Act, section 65 and the sections following, the position of Auditor General is created, and one of the sections in this part of the Financial Administration Act sets out his rights in very clear language. It is section 66 (1) which says:

> Nothwithstanding any act—
>
> Please note that there are no exclusions.
>
> —the Auditor General is entitled to free access at all convenient times to all files, documents and other records relating to the accounts of every department, and he is also entitled to require and receive from members of the public service such information, reports and explanations as he may deem necessary for the proper performance of his duties.

I submit, Mr. Speaker, that that right of an officer of this house is very clear, that he has the right to have free access to all files of any department at any time, and that he has the right to require and receive whatever explanations he needs in order to pursue his duties. According to press reports the objection of the former minister of national revenue, the present Minister of Finance, to this request was based on a provision in the Income Tax Act. That provision is also quite clear. It is section 133 of the Income Tax Act which reads as follows:

> Every person who, while employed in the service of Her Majesty, has communicated or allowed to be communicated to a person not legally entitled thereto any information obtained under this act or has allowed any such person to inspect or have access to any written statements furnished under this act is guilty of an offence and liable on summary conviction to a fine not exceeding $200.

I submit that you do not have to have a course in law to put those two sections of those two acts together to see what they mean. The section in the Income Tax Act is the well known section regarding secrecy of information obtained by the income tax department, and it is very clear that the limitation is against giving information to anyone not legally entitled thereto. But the Auditor General is not one of the persons not entitled to such information. On the contrary, by statute passed by the House of Commons, the Financial Administration Act, he is legally entitled "notwithstanding any act" to get any information he needs to pursue his duties.

I submit therefore that what has happened is that a privilege of the House of Commons—because after all it is to the House of Commons that the Auditor General reports—has been transgressed in that an officer responsible to the house has been denied, by a member of the cabinet, a right provided in a statute which we have passed.

As a matter of fact this denial of that right to the Auditor General has been compounded by the fact he was told, according to what he tells us, that the matter was being referred to the Department of Justice for a ruling, but despite the lapse of considerable time he had not been advised what the ruling of the Department of Justice was. I submit that here again—

Mr. Speaker: Order. I think for the edification of hon. members I should read a ruling

in this regard made by my predecessor on this particular point towards which I sense the debate is now drifting. This will be found in volume III of the 1960 *Hansard*, the report of the proceedings for March 29, 1960, at page 2558, where Mr. Speaker Michener is reported as saying:

> I ask the hon. member whether he is not debating the issue as though it were being decided here. All we are deciding in this motion is whether the matter should be referred to a committee which will be able to hear evidence and report back. I do not want to narrow the debate too much, because one must understand the purpose and what problem is to be referred to the committee. I hope the hon. member will not attempt to settle here the problem which the house is referring to a committee.

Within this limitation I think the hon. member will recognize how far he can go.

Mr. Knowles: Mr. Speaker, with all respect I feel my arguments thus far, and the arguments I should like to advance for another moment or two, are within the four corners of the ruling you have cited. I am supporting the Prime Minister's resolution. I am endeavouring to show cause why that resolution should be supported unanimously, and why this report should be referred to the public accounts committee. I am not taking time to go through the whole report to bring up all the interesting items that are in it and which have made the headlines. Rather I have seized on the point in connection with which the privileges of the entire House of Commons have, in my belief, been abridged by an action of the former minister of national revenue.

As I was saying when you interrupted me, I feel this has been compounded by the statement that this was referred to the Department of Justice for a ruling. In other words one cabinet minister is getting an opinion from another cabinet minister as to whether or not he has a right to deny to an officer responsible to the House of Commons something that is provided in an act passed by the House of Commons. That is really all I wanted to say when I tried to bring this subject before the house earlier under standing order 26. I was anxious that the house itself, through at least one of its members might have a chance to express the view that our rights as members have been overridden by this action. I contend that this matter should be thoroughly investigated by the public accounts committee and I support wholeheartedly the Prime Minister's motion that the public accounts and the report of the Auditor General be referred to that committee.

[Mr. Speaker.]

Mr. Harold E. Winch (Vancouver East): May I say a few words? I rise because I have had an unusual length of experience on committees dealing with public accounts. It was my privilege as a member of the provincial legislature to be a member of the public accounts committee for 20 years and in my ten years in this House of Commons I have been a member of the public accounts committee ever since there was one. In addition, I have always been a member of the steering committee.

I think the public accounts committee of this house, a committee made up of members of all parties, is a committee of which all hon. members can be proud. It is a committee which accepts fully the responsibilities assigned to it by the House of Commons. That is my sincere belief, and I am very proud of the work of the public accounts committee, particularly in the past four years. We now have to consider matters of major importance not only to the public but to members of this house. I believe we should not discuss technical or legal interpretations, or deal in platitudes and generalities. A motion is before us which places on the public accounts committee the responsibility for going over the public accounts and the report of the Auditor General. If my experience in the future as a member of the public accounts committee turns out to be the same as in the past, I can assure you, Mr. Speaker, that the public accounts committee will accept this responsibility in its entirety and will make a report to this house in all honesty and decency.

Hon. George C. Nowlan (Minister of Finance): Perhaps I should say a word in view of the remarks made by the hon. member for Winnipeg North Centre (Mr. Knowles). I do not want to sit here and, by my silence, have anyone think for one second that I agree in any way that the hon. member was correct at all in the inferences he drew from the report.

I do agree with the hon. member for Vancouver East (Mr. Winch) that the proper thing to do is to refer this matter to a committee where the facts can be brought out. The matter can be reasonably discussed thereafter in the house.

Mr. W. M. Benidickson (Kenora-Rainy River): I simply want to make this point, that as far as I can recollect—and I am relying on newspaper reports; I do not have the Auditor General's report here dealing specifically with what might be involved in these tax claims and tax files—it was the minister himself who was responsible for casting a cloud on all members of parliament because it was he, not

the Auditor General, who said that some of the files involved referred to members of parliament.

There are people all across Canada who are sometimes in difficulties over paying their income taxes and great damage will be done to the whole country I feel, if there is any possible suggestion that any special concession in connection with payment of income tax is rendered to members of parliament. Certainly, that has not been my experience. But I want to point out it is the minister himself who has put us all under a cloud in this respect.

Motion agreed to.

FREIGHT RATES REDUCTION ACT

AMENDMENTS EXTENDING APPLICATION AND INCREASING EXPENDITURES

The house resumed, from Wednesday, December 19, 1962, consideration in committee of Bill C-91, to amend the Freight Rates Reduction Act—Mr. Balcer—Mr. Paul in the chair.

On clause 1—*Extension of time.*

Mr. Balcer: I do not intend to make a formal presentation at the present time. I just want to remind hon. members that the house had an opportunity to debate the subject matter of this bill at the time the resolution was considered and that the measure had been studied clause by clause by the committee on railways, canals and telegraph lines. At that time the representatives of the various interests concerned appeared before the committee as well as officers of the crown, of the board of transport commissioners and of my department, and expressed their views. They were questioned at length and a great deal of documentation was produced. I think the whole matter has been gone into thoroughly and I hope, therefore, that hon. members will give their assent and support to this bill which is only an interim measure pending legislation on the MacPherson committee report which will be brought before the house in a very short time.

Mr. Turner: On behalf of this side of the house I should like to address a few words to the committee explaining our attitude on this side in general and, if I am given the time, my own attitude in particular in connection with this amendment to the Freight Rates Reduction Act.

The purpose of the original act in 1959 was set forth by the minister in his initial statement on this matter when he told us it was to compensate shippers in western Canada and the maritimes for the 17 per cent freight rate increase which was authorized by the board of transport commissioners in 1958. As a result of that act, a subsidy of a maximum of $20 million was authorized to allow the board to roll back the 17 per cent increase in favour of shippers, and on August 1, 1959, the board authorized a rollback from 17 per cent to 10 per cent. Later, on May 6, 1960, a rollback was made from 10 to 8 per cent. As a result, this legislation achieved a reduction for shippers in non-competitive rates of 9 per cent, that is, from 17 per cent to 8 per cent. Subsidies were paid under this act amounting to $20 million in 1959 and a further $15 million under the amendment of 1960. In 1961 there was a further $20 million; and the minister is now coming before this committee to ask for a further subsidy or third extension of $20 million, for a maximum of $75 million paid as subsidy to shippers moving traffic under commodity rates.

I should like to stress to the committee at this stage, Mr. Chairman, in order that we might analyse the effect of this extension and the effect of this act with respect to the competition between trucking and rail, that the subsidies are limited to what are known as non-competitive rates; that is to say, they are limited to commodity and class rates. The committee ought not to be confused, if I may say so with respect, over competition arising between trucking and rail, because in the main this act does not apply to rates which are made competitive by the railways in order to meet truck or water competition. A railway rate becomes competitive when the railway lowers the rate or makes a co-charge with the shipper to meet truck competition or to meet water competition. When that rate becomes competitive under the act, this subsidy does not apply. In other words, where the railways have made competitive rates in order to meet truck competition, the subsidies under this act do not go to the shippers and are not refunded to the railways.

The purpose of the amendment was outlined by the minister in his opening statement to this committee some time ago. The original act expired on April 30, 1962; and the amendment is to extend the provisions of the act to April 30, 1963. A secondary purpose is to authorize, as I have said, further subsidies of $20 million, and to authorize payment to the railways for the lower rate they have been giving shippers since April, 1962. The minister characterized this as temporary legislation which would have to do until more formal reforming legislation flowing from the MacPherson report was brought before the house. Our view of this legislation was very ably set forth by my learned friend the hon. member for Laurier

when he made his initial statement on behalf of our party at the outset of the debate before this committee. We take issue, of course, with the terminology that this is an extension of an existing act. This is a revival of an act which has already expired. In other words, at the moment, there is no legislation justifying these lower rates which shippers in western Canada and the maritimes are receiving from the railways, because the act, as I said, expired on April 30, 1962.

The railways, in accordance with an understanding with the government, have been granting the lower rates to shippers in the hope that this house will pass the amendment to the act. This is a bit of retroactive legislation to justify something which should have been done almost a year ago, and to bail the government out of a position where they will have to relieve the railways of somewhere between $15 million and $20 million paid in anticipation of legislation which at the time did not exist, nor does it now exist.

I suggest to the committee that this is just another instance, another example, of what has been happening in this house, where we are being called upon by the government to pass payments of money when it is really too late for us to do anything about it. It is seeking to bar the door when the horse has already escaped. We have had to pass interim supply which we have not seen, as well as estimates; and we are now being asked to justify payments of $20 million when most of that money has already been spent. A further extension will be needed on April 30, 1963; so that if this amendment is passed by this house in the next few days, the minister will again be obliged to come before us in about three months to ask for a further extension.

The minister said that this was temporary legislation; but it is legislation which has been renewed piecemeal year by year since 1959. He said it is temporary legislation until the MacPherson report can be implemented. But, Mr. Chairman, the MacPherson report recommended the abolition of the present equalization policy and the abolition of the very type of subsidy which is symbolized by this statute. In other words, the minister says: "Wait until the MacPherson report"; and the MacPherson report has recommended the abolition of this subsidy. I fail, with the greatest respect, to understand the logic behind what he says.

As my hon. friend for Laurier pointed out, this act continues to subsidize a wage increase because the motive behind it was to allow the railways the revenue with which to meet the railway employee wage increase in 1958, without similar benefit to the shippers. In other words, the government has been put into the position where it is subsidizing a wage increase on behalf of the two railway systems of this country.

Finally, the purpose of this act should have been to benefit solely the maritimes and western shippers. But as the Canadian trucking association pointed out very conclusively, the benefits of this act are indiscriminate. Nowhere does it say which shippers are to benefit; it is limited merely to shippers moving goods under non-commodity and non-class rates. In other words, some benefits have accrued to the central provinces when I feel sure that that was not the original purpose of the statute. Nor is there any attempt in the act to give a definition to "competitive rate" in order to clarify the problem which the truckers brought before the standing committee on railways, canals and telegraph lines, whereby they contended that the subsidies really affect competitive rates to their detriment, as well as the non-competitive rates.

(Translation):

My friends sitting on my left have claimed, before the standing committee on railways, canals and telegraph lines, that they had serious objection to this legislation. They offered some reasons, but I respectfully submit that they were unfounded. Allow me to recall the objections raised by my Social Credit friends, which were the following:

First, the subsidies granted to both railways were harmful to private enterprise.

Second, those subsidies have favoured both Quebec railways at the expense of truckers.

If I may be allowed to deal briefly with those two objections, I must say, first of all, that there are now serious problems, affecting the trucking industry in the province of Quebec, which are the result of the exploitation of subsidiary trucking companies by the railways. But this bill in particular does not touch upon that problem. Actually, the subsidies are granted to shippers. Second, truckers of the central provinces are not affected in the same way as those of the maritime provinces or of the western provinces, because the rates charged by most railways in the province of Quebec are competitive.

Therefore, they do not come under this legislation.

The hon. member for Quebec-Montmorency (Mr. Marcoux) has admitted himself that the grants were beneficial to the shippers and that the truckers were not directly involved.

(Text):

Chief Commissioner Kerr, who testified before the standing committee, said that so far

as piggy back shipments were concerned, the subsidy only went to that part of the shipment which went by rail and was not paid on the part which went by truck. Looking at the problem particularly from the point of view of the truckers in the province of Quebec, first of all the subsidy is paid to the shipper, Second, the truckers in that province are mostly competing against the railway in the competitive rate range, so that the act in question is not the act which my hon. friends want to attack if they are objecting to the railways moving in on the trucking industry in the province of Quebec.

(Translation):

Mr. Gregoire: Would the hon. member for St. Lawrence-St. George (Mr. Turner) allow me a question?

I am trying to find out, in the event that this tariff reduction is granted to the shipper, if he has the right or privilege to choose the means of transportation? Can he choose between the railways and a trucking company?

Mr. Turner: In reply to the question asked by the hon. member for Lapointe (Mr. Gregoire), I can say that he is right and that at the present time, under the act, the shipper can only use the railways. But later I will propose an amendment recommending that the subsidies be paid to the shipper, in all cases, whether he is shipping by truck or rail. That could bring up administrative problems but, personally, I am of the opinion that we must study the matter and try to give the shipper that alternative, under the provisions of the same act.

(Text):

If I may, Mr. Chairman, I should like to get down to the very important opposition taken to the extension of this act by the Canadian trucking association. It is an opposition which concerned every member sitting on the standing committee and gave us pause as to whether this legislation ought again to be extended. The testimony of Mr. John Magee, executive secretary of the Canadian trucking association was for me very persuasive, and from comments made to me by other members of the committee I gathered that they as well were very much impressed. The principal argument of the Canadian trucking association was that the non-competitive rates set by the railways which profit from this subsidy are really no longer non-competitive rates but would be competitive if thrown open to active competition without the benefit of a subsidy. In other words, what they said was that the present height or standard of the rate is such that it already competes with the trucking industry, and that the trucking industry is therefore impeded in free competition because the railway is allowed to maintain an artificially low rate as a result of the subsidy.

The Canadian trucking association argues that if the present subsidy were withdrawn, many of the present so-called non-competitive rates benefiting from the subsidy would be in effect competitive rates and the railways would be forced to and would be able to reduce them. This was indicated, said Mr. Magee, by the fact that in the past three or four years the area of non-competitive rates has been steadily lowered until the non-competitive rate has become what he termed "a vanishing breed." His argument is that if this legislation were withdrawn the vanishing breed would be close to suicide and that the non-competitive rate would disappear from the traffic.

In answer to his arguments, and while admitting that there is great merit in them, I would say that if the non-competitive rate is a vanishing breed or if the non-competitive rate is disappearing, then the trucking industry has less to fear from this legislation than it had three years ago in the sense that if more and more of the rates are becoming competitive, then fewer and fewer of the rates are being subsidized and more of the rates are being opened to free competition between trucking and rail unsupported by any subsidy.

Furthermore, Mr. Chief Commissioner Kerr estimated that the trucking industry was currently carrying only 5 per cent of the goods moving under commodity and class rates. In other words, only 5 per cent of the traffic carried by the railways under the subsidized rates is being competed for by the trucks. Mr. Montague, the economic adviser to the Canadian trucking association, was unable to produce any concrete evidence to rebut that estimate, although he would put the figure closer to 10 per cent or 15 per cent. If this is so, it means that the handicaps complained of by the trucking industry in so far as this particular legislation is concerned—and I am not talking about the no-strings-attached general subsidy but only about this particular legislation—are not as great as they would have us believe. If only 5 per cent of 10 per cent of the traffic open to trucks is affected, their complaint is not as severe as they would have us believe. On the other hand, if only 5 per cent or 10 per cent of the traffic is being affected, if this House of Commons were not to pass this legislation it would mean that 90 per cent of the traffic would move from a 9 per cent rate to a 17 per cent rate because there would be no competitive trucking able to force the rate down. In other

words, shippers in western Canada or shippers in the maritimes would be forced immediately for about 90 per cent of the traffic to pay the higher 9 per cent differential.

The second argument of the trucking association was that this subsidy prolongs the railways' monopoly, and is a subsidy paid to one mode of transport to the detriment of other modes of transport, or, in other words, the subsidy is only open to shippers who use the railways; and that was the point raised by my hon. friend from Lapointe. In other words, the subsidy allows the railways, so the truckers say, to lower their rates in other areas. They say the money the railways get from the subsidies under this legislation allows them, for instance, to meet competition with trucks under agreed charges by giving them more revenue to divert into other cost factors of their operation. I suppose the answer to that might be that much of the Canadian trucking association's brief relating to this railway monopoly problem went to the general subsidy question, or to the no-strings-attached $50 million subsidy.

It would be my respectful opinion that the argument raised by the trucking association had less pertinence or less immediate application to this particular legislation. But if this subsidy is to be continued further; if the MacPherson report is perpetually to evade us in this House of Commons; if the legislation incorporating a new freight rate policy for this country is not to be brought down by the government; if the house is to be faced with a further extension of this act in three months, then the suggestion made by the trucking association last year is one which I personally find very attractive and which obviously my hon. friend from Lapointe finds attractive; namely, that the Department of Transport should investigate the possibility of transferring the application of the subsidy to the shipper, so that the shipper could choose between railway or trucking, and so that the shipper would be allowed to use the low cost mode of transport and receive the subsidy. In other words, if the purpose of the legislation is to aid the shipper and not to subsidize the railways, then to my mind it is conceivable that the shipper ought to be able to choose the mode of transport.

There is a second general comment I should like to make personally—and I stress the fact that the comment I have made about the subsidy going to the shipper rather than to the railway is my own personal comment—and that is that interprovincial and international trucking should be regulated by the same board by which railways are regulated. If, as is unquestioned, the federal government has jurisdiction over extraprovincial or interprovincial and international trucking under the Winner case of 1954 which went to the privy council, and if at the moment the provincial transport boards are only handling this jurisdiction over interprovincial trucking because of the federal Motor Vehicle Transport Act, 1954, whereby the federal government gave jurisdiction to provincial boards to handle this matter; if that is so, there would be no legal bar to the federal government again enacting legislation to assume jurisdiction over federal trucking. If the MacPherson report is to be implemented, if competition in transport is to be freed as between rail and trucking, it would seem logical that the same board ought to administer both sets of rates and both modes of transport. At the moment we have no unity and no consistency in the regulation of rail rates as opposed to the regulation of trucking. If the board of transport commissioners were to be given jurisdiction not only over rail and water transportation, as it has today, but over trucks as well, we would have a central regulatory body controlling all means of ground and water transportation.

I put this suggestion to Mr. Magee when he was before the standing committee, and his objection to it was that the trucking industry did not think that the board of transport commissioners had among its membership anybody familiar with the trucking industry. I know that many trucking people, when they do get before the board, feel that the board is weighted in favour of railways as against trucks. My suggestion to him then and to the committee now is that this would be quite simple to remedy. If the board were to be given the wider jurisdiction I suggest, it would be quite easy to appoint additional members to it who were familiar with the trucking industry. It would be a procedural point only, and I think the interests of rail, truck and water transportation could be dealt with quite fairly within the same forum. Goodness knows, we have had a proliferation of boards introduced at the present session, and if the minister were to undertake to reverse this trend of boards forever, if the minister were to institute a measure whereby federal trucking would be brought under one single board and the same board that regulates its competition, I think he would be doing a service to the country.

Our position then is that we will not oppose this legislation and the extension of the act, because if we did the dislocation to western shippers and maritime shippers would be immediately so severe as to impose serious pressure on people moving goods in those parts of the country. Second, we have a

situation where the railways have already disbursed between $15 million and $20 million to shippers under commodity and class rates covered by the subsidy in anticipation of this legislation. We have been put in the position where we are almost forced to pass it in fairness to a mode of transportation that has relied upon the government to back it up. Third, the non-competitive rates subsidized by this legislation are disappearing. As a result, the area where the subsidy operates to the detriment of the trucker is diminishing. Therefore, with a clear conscience and in the hope that more general legislation will eventually be forthcoming, we are prepared to accede to the minister's request to adopt the bill.

(Translation):

Mr. Gauthier: Mr. Chairman, I cannot help voicing once more the objections I put forward every time this Bill C-91 was discussed in the railways, air lines and shipping committee. In fact we, of the Social Credit party had intended, during the sittings of the sessional committee, to move certain amendments which could have saved much of the time of the house if there had been time to discuss them. At the first sitting of the committee, the discussion was quite free. At the second sitting, it was more restricted. At that time, both sides seemed to be more on the defensive. But at the third sitting, on Monday, December 17, 1962, we saw the two old parties and the socialists take advantage of their experience in camouflage and of our first steps in committee work to pull a fast one.

I was present at that sitting of the committee. The question was raised as to whether we would have a quorum or not. The hon. member for Charlevoix (Mr. Belanger), for whom I was waiting to direct the discussion, had just walked into the room when the chairman announced the opening of the sitting. The whole thing had been arranged by the masters of the three groups which, in the usual manner, had decided that this amount of $75 million granted to the C.N.R. would be passed and, without consideration for the citizens who pay taxes, with a view to making up for the extravagant deficits of a crown corporation run by the most inefficient and arrogant persons I have ever seen in my life.

And after that, you, the members of the old line parties and the socialists, you will cry out to the people, who are finding out about you today, that you are the defenders of private enterprise. You will tell the builders of private enterprise, the champions of free enterprise, that you protected them. You Conservative gentlemen, you are entitled to all of Donald Gordon's gratitude. You Liberal gentlemen hasten to demand an election, so that the people may expose your cheating. Administration for you is simply a joke. As far as you are concerned to administer is to hoodwink the people, to hide everything from them and then to accuse them of ignorance when they vote intelligently.

Mr. Chairman, at that memorable sitting which lasted only two and a half minutes, because everything was passed in two minutes, whereas it would have been advisable to extend the discussion, we adjourned proud of having once more served the financial community. It was another victory over the people represented by the Social Credit party. All that led to the approval of Bill C-91 included only two clauses: namely an extension of the rate reduction, and an increase of $20 million in the expenditures authorized by the legislation.

That increase of $20 million is not much, Mr. Chairman, but it will help to destroy private enterprise.

I should like first to mention casually that I do not believe in the "temporary" legislation which is extended every year. In my opinion, it is merely a smokescreen to hide the real causes of the C.N.R.'s deficits. This government is so used to taxing Canadian workers that whenever an agency takes it upon itself to help overtaxed people, the speediest means are taken to get rid of it.

To extricate themselves from this muddle, they will go from town to town, and from village to village, singing loudly the praise of private enterprise.

Mr. Chairman, by supporting unconditionally Bill C-91 which was then being studied by the sessional committee, the representatives of the three parties proved in the most glaring fashion their incompetence and their thoughtlessness.

The Deputy Chairman: Order. The hon. member is not allowed to impute motives to his colleagues in a parliamentary committee, nor to pass remarks upon their attitude or their behaviour. He cannot formulate any criticism about their position on the problems studied in the house or in a committee. I hope therefore that the hon. member will be kind enough to express his views without making any disparaging remarks about his colleagues who sat on the sessional committee on railways.

Mr. Gauthier: Mr. Chairman, if I have a few bitter remarks to make here, it is because we feel that there has been an encroachment

upon our rights and, in my opinion, the house is the only place for us to voice our protests when we cannot do it elsewhere.

Translation was not even provided at the sittings of the committee. In fact, after every sentence, we had to ask for a translation into French in order to understand, and parliament takes no account of that. That is why I was entirely dissatisfied with the committee's proceedings.

Mr. Balcer: Mr. Chairman, I rise on a point of order. The debate must be somewhat orderly.

The hon. member for Roberval claims that the sessional committee on railroads to which this bill was referred, did not act democratically, had no regard for French Canada, etc. And what are the facts? The witnesses appeared before the committee, and each time any member of the committee who wished to speak in French could do so in all freedom and without any limitation.

In fact, when a reply was given in English we had interpreters to translate it.

The hon. member was perhaps frustrated because of having arrived too late to make certain representations, but, in my opinion, he cannot blame anyone but himself.

Mr. Gauthier: Mr. Chairman, on the point of order, I remember that a question was asked in French, and the minister replied there was no translator at the time. In fact, it is only after that incident that one was provided.

The Deputy Chairman: Order. When the committee of the whole house is considering a bill, the subject matter of the bill must be adhered to, and no comments may be made on the behaviour of members nor an analysis made of the events which went on during the proceedings of another committee.

We are now considering the principle of Bill C-91, whose purpose is to extend for a period of one year the revised freight rates. Now, hon. members may express their opinion on the principle of the bill, but I think it is contrary to standing orders to make comments or discuss the way in which the debates proceeded in another committee, or the treatment given certain members during the consideration of the bill in committee. Consequently, I would invite the hon. member for Roberval to remain within the scope of the discussion.

Mr. Gregoire: Mr. Chairman, on the point of order and since you have allowed the Minister of Transport to complete his remarks, I feel it would have been quite in order to allow the hon. member for Roberval to do the same.

The Deputy Chairman: Order. The remarks I made were addressed both to the hon. member for Roberval (Mr. Gauthier) and to the Minister of Transport (Mr. Balcer).

Mr. Gregoire: However, Mr. Chairman, you have allowed the Minister of Transport to finish his remarks, while you have not allowed the hon. member for Roberval the same privilege.

Mr. Gauthier: Mr. Chairman, to follow up your point of order, I was saying that at the first meeting of the committee, the minister stated that there was no translator, and it is only after that that we succeeded in obtaining the services of one.

The Deputy Chairman: Order. It is out of order here to deal with the way the proceedings developed in the sessional committee on railways.

The house is now considering the principle of a section of a bill and the discussion must be related and relevant to this question.

Once again, I ask the hon. members who take part in this debate to restrict their remarks to the bill under discussion.

Mr. Gauthier: Thank you, Mr. Chairman. I only wanted to say a few words, because I was subjected to a personal attack, whereas we were told that we had the right to speak French in committee.

But what I wanted to point out to the minister is that in order to get a word in French from the English speaking members, we had to ask for the translation at every single line.

Mr. Chairman, since we are dealing with the reduction of freight rates with regard to the shippers, I should like to prove to the house that it is the Canadian National which will eventually benefit from the subsidies that are voted. On the other hand, if such an amount of money is passed, it is absolutely necessary to know why, because, once again, I am convinced that that amount of money is not granted so much for the benefit of the shippers as to make up the deficit of the Canadian National Railways. In fact, I have come to wonder if an inquiry should not be made into the management of the C.N.R. because it can even be asked if those high officials are at least aware of the meaning of good service in transportation.

Mr. Gordon and his associates, protected by the various governments, could even be

asked if they know that the main requisite in transportation is to give the customers good service, in order to avoid deficits.

Mr. Gordon could also be asked if he really tries to ensure, by every possible means and in all departments, the service required in the transportation of goods and passengers.

In fact, Mr. Chairman, I doubt it so much and I have so much evidence that I am obliged to say no. Take for instance the case of the western shippers who, last fall, complained that the C.N.R. was slow in supplying them with the cars needed to ship potash to the consumers, which was resulting in serious losses for the industry.

As such a service was lacking, these same shippers requested the services of a private transport company which would guarantee them a better service: the C.P.R.

I could give thousands of examples showing that the C.N.R. lost its customers on account of its inadequate service. Allow me to refer to the passenger trains in my own area, the county of Roberval.

During the holidays, the heating system in one of the cars of the train linking Montreal to Chicoutimi-Dolbeau failed during the whole night. Needless to say that all the passengers had to sleep wrapped up in their winter coats; we do not know how many of them caught a cold during this trip.

The personnel on duty did everything they could to cope with the situation.

Some hon. Members: Oh, oh.

Mr. Gregoire: Do these remarks embarrass you?

The Chairman: Order. May I remind the hon. member that he cannot discuss the administration of the C.N.R. or of any other railway system as far as the passenger or freight services are concerned. I once more ask the hon. member to restrict his remarks to the subject matter of the bill now before us.

Mr. Gauthier: Mr. Chairman, do we have to submit ourselves to this sort of thing without saying a word?

Mr. Chairman, I said a moment ago that I do not believe that Bill C-91 is giving assistance to shippers. In fact, a large sum is being voted to make up the C.N.R.'s deficit. And where does this deficit come from? I believe the inadequate service of the C.N.R. is the main reason. This is another proof of the poor service given by the C.N.R.

I do not know whether it is better to bring home to the government the grievances of the people. The best place to do it, as I see it, is right here in this house, by expressing the dissatisfaction of the whole population for the service given by the C.N.R. into which we are pouring countless millions of dollars.

It is in the light of this principle that I have given instances as regards freight and passenger service, for we are granting the C.N.R. $75 million and nobody knows how this money is going to be used. Everybody is asking us: "Where is this money going"? And we do not know ourselves where it is going.

When we want to deal with these issues in this house, we are said to be out of order. The C.N.R.—

The Chairman: Order. I should like to point out to the hon. member that he must abide by the rules of this house. Like all the other members who might take part in the discussion, he must follow as closely as possible the rules which have been established in order that the work of the house may proceed smoothly. When the chairman of the committee gets up to call a member to order, he is only doing his duty so that the discussion can really contribute to the subject matter before us.

Mr. Gauthier: Thank you again, Mr. Chairman.

If through their trucking business, the Canadian National Railways manage to reduce freight rates as provided under section I of Bill C-91, and if this reduction is to be extended for another year, I can only commend that project.

In view of the hundreds of millions of dollars which the federal government has spent in order to refloat the Canadian National, that would only be normal.

He who calls others incompetent might then prove himself right.

But if such a reduction means that all our fellow Canadians, all our workers, and heads of families will have to pay those additional $20 million directly to the C.N.R., then I cannot go along with that. That is why Bill C-91 will not pass in this house without an amendment.

Do you really believe that, as representatives of the people, we are authorized to concede another $75 million to the C.N.R. without knowing for what purpose it will be used?

I say to the management of the C.N.R., and also to the president, Mr. Donald Gordon, who is so well paid: "If you are incapable of managing such an important corporation as successfully as the management of the truckers association, you should let that association accomplish what you were never able to achieve yourselves."

There is no difficulty for the C.N.R., with its wonderful president, to grant reduced rates to the shippers, when those $20 million are paid by our workers and farmers.

Mr. Chairman, we have no right to penalize the whole population under the pretence of helping those few hundred producers who would act in a quite different way if they could freely organize themselves.

Our doubts with regard to the use of that money to the sole advantage of the so-called beneficiaries are getting stronger every day. The issues have been so much confused that we are unable to discern what concerns trucking and what concerns the railroads.

If the government seriously wants to help the shippers, why not do so directly?

Why not give those millions directly to the needy shippers, in proportion to their shipments? Why go through a third person to let someone have the assistance he so urgently needs?

Do you not know that every day we have proof that the go-between often reaps much greater profit than the shipper?

Shall we, once again Mr. Chairman, let ourselves be misled by an administration with no common sense? I say "no common sense", because for those people the main principle of a good administration consists in having deficits.

They accumulate deficits and boast about it. They go as far as saying that those who have no deficits are incompetent.

Indeed, they go on with their fallacious arguments in favour of our economic system of debts. Money should be allowed to circulate, and the only manner to do so today is to create deficits.

As you see, Mr. Chairman, with our mistaken monetary theories, we come to the conclusion that tomorrow—and the C.N.R. is a striking example of it—a deficit will mean a saving.

Consequently, the thrifty person will be forced to pay off tomorrow the deficits which will have become the most stable form of wealth of our new democracy.

[Mr. Gauthier.]

To avoid all those mistakes, Mr. Chairman, and there are some significant ones—

(Text):

The Deputy Chairman: Order. So that the house may proceed to consideration of private members' business pursuant to section 3 of standing order 15, it is my duty to rise, report progress and request leave to sit later this day or the next sitting of the house as the case may be.

Progress reported.

Mr. Speaker: It now being five o'clock the house will turn to the consideration of private members' business as listed on today's order paper, namely, notices of motion which appear on page 18 of today's order paper.

CANADA ELECTIONS ACT

SUGGESTED AMENDMENT TO REQUIRE LIMITATION AND ACCOUNTING OF EXPENDITURES

Mr. J. E. Brown (Brantford) moved:

That the standing committee on privileges and elections be empowered to consider the advisability of amending the Canada Elections Act to limit the election expenditures of all candidates to an effective ceiling, and to provide for a strict accountability of all such expenditures of each candidate, and at the same time to provide for the payment of the legally permitted election expenses of all candidates, who in the election secure a reasonable proportion of the total votes cast in each constituency; and to report to the house such proposals or suggested amendments relating to the said act as the committee may deem to be advisable.

He said: Mr. Speaker, might I be permitted to direct special attention to the motion that has been read to the house, and to offer the observation that a motion somewhat similar to this has already been before the house moved by the hon. member for York South (Mr. Lewis). My motion goes a little further. Unlike the other motion it provides that the standing committee on privileges and elections be empowered to consider the advisability of these proposed amendments to the Canada Elections Act. In other words, if this motion is not talked out tonight and if it happens to be approved by the house, that does not mean the house approves of the suggested amendments. It simply means that the amendments referred to are to be considered by the committee on privileges and elections after which that committee would make such report back to this house as it deemed advisable. This would make provision for a wider discussion and a much more thorough study on the part of hon. members than is available to them under the pressure of the one hour discussion which is permitted us at this time.

Two of the proposed amendments in the elections act have been in effect in Great Britain for a considerable period of time, namely the provisions to limit the election expenses of candidates and to ensure a strict accountability of all such expenditures by candidates.

Over many years in Canada there has been a cry for needed reform along these lines. The present law relating to election expenses of candidates has been in effect in Canada since 1874. It was brought into being by a Liberal government at that time—one of the most puritanical governments in Canadian history, if I may say so. I refer to the administration headed by the Hon. Alexander Mackenzie.

An hon. Member: It has gone to the dogs since.

Mr. Brown: An hon. member says it has gone to the dogs since, and that is what I should like to bring to the attention of this house. The Canadian people first became exercised over the problem of election expenses and campaign contributions at the time of the Pacific scandal in 1873. So the new government which was elected following that scandal introduced the present legislation which has been in effect ever since. My submission is that the statute is now sadly in need of reform. I will not go into detail here but I doubt if there is a responsible group, or even if there is a responsible person, in public life in Canada opposed to the first two proposals which I suggest should be submitted to the standing committee on privileges and elections. Certainly, there is no responsible newspaper in Canada objecting to these two needed reforms. The Brantford *Expositor,* the Toronto *Globe and Mail* and the Toronto *Star* among many newspapers have been pressing for electoral reform along these lines. In addition, well known newspaper columnists such as Mr. Blair Fraser and others have been pointing out the inadequacy of the present law for a number of years. Canadian political leaders of various parties have been crying for reform. The Hon. C. G. Power, now a member of the Senate, has been a leader in this regard. He introduced a bill which reached this house—a bill known as the political expenditures bill—in 1939, containing sweeping provisions for reform—provisions which required the publication both of the income and expenditure of political parties and limiting the amount of expenditure of candidates to 20 cents per voter plus $1,000 for the personal expenses of candidates.

Mr. Power described this measure at the time as a businesslike piece of legislation which would bring about open disclosure to the public, a disclosure such as would be made in the operation of private business.

In 1948, Mr. Power admitted that his bill was laughed at at the time it was introduced, and that its objectives were ridiculed as being academic and unrealistic. But he brought the same measure before this house in 1949 and it passed second reading without one single voice of dissent. It did not proceed further because parliament was dissolved and a general election called. Thus, today we have the same law as we have had since 1874, the law which has been complained about so much. The same situation exists and nothing has been done about it since.

It is now 1963 and I am asking this house of minorities at least to permit the standing committee to discuss this much needed reform. I notice that at Christmas time Mr. Power had completed 45 years of public life in Canada. I think it would be a nice thing if this house could at least consent to consideration being given to these matters by the committee as some recognition of a long life devoted to the public service of Canada.

Now I come to the third suggested amendment—that provision be made for the payment out of general revenue of the legally permitted election expenditures of those candidates who receive a reasonable percentage of the total votes cast in each constituency.

As I stated in my speech on the motion of the hon. member for York South, this third proposal is a little more controversial, but I maintain it is sound.

There was a debate in this house in the year 1920 on electoral reform. In that debate that much-revered Canadian statesman, the Hon. W. S. Fielding, stated that the only real solution to excessive and improper election expenditures was to make all such expenditures of sums a charge on the federal treasury. He predicted in that debate that the day would come when this House of Commons would pass such legislation. I know that on this third proposal there will be a cry of: "Oh, election expenses in Canada will rise to an unprecedented figure". But I maintain that the Canadian people are paying the bills for election expenditures at the present time in many ways: by their own private contributions, and by the rise in the cost of goods as a result of companies giving large sums of money, donating large sums to the election campaigns and expenditures of the various political parties.

I think it is true to say that today the contributions to election campaign expenditures

are largely from big contributors, and the sum contributed in small contributions amounts to very little. In the United States, President John Fitzgerald Kennedy, two weeks after he was elected, stated that work should be started at once on legislation to provide for payment out of the United States treasury of the presidential election campaign expenditures so that, to quote him, "We can discontinue having candidates going around with their hats in their hands". In Canada, the Brantford *Expositor* took exception to this third reform which I have mentioned in a leading article; but the Toronto *Globe and Mail* did not take that view, and the Toronto daily *Star* complimented me upon bringing to the house a proposal for a much-needed and long-overdue reform. I stated a few moments ago that the percentage of contributions from small contributors amounted to very little. The overwhelming amount of contributions comes from big companies and big labour unions, and I say to this house that this situation is not of the best and could be dangerous. In the province of Quebec legislation has already been passed, which did not come into effect before the last provincial election, covering all of these items which I have asked this House of Commons to refer to its standing committee.

Mr. Speaker, I do not wish to talk at length or to prolong my remarks, because others will want to speak and I should like to hear their views upon the question. But before taking my seat I should like to say that I know all members of this House of Commons are jealous of the sovereign rights and independence of the parliament of Canada, because each year a mass of legislation is passed through this house which affects the life of every Canadian. I should like to state that at the present time many Canadian companies have huge lumps of capital invested on the part of foreign investors, and when large contributions are made to political parties they can also be accompanied by sponsorship of a type of legislation that is not in the best interests of the sovereignty of Canada or of the independence of parliament. Keeping this in mind—and it is a very important point—I believe that this house could do well to pass these suggestions on for consideration and more prolonged discussion, at this point of time in this year 1963, to the standing committee on privileges and elections. I believe that they will be for the betterment of Canada, for the preservation of democratic principles, and for the continuance of the sovereignty of this house and of our country.

(Translation):

Mr. David Ouellet (Drummond-Arthabaska): Mr. Speaker, I must congratulate the hon. member for Brantford (Mr. Brown) who introduced this motion to amend the act respecting election expenditures.

In the province where I come from, we know something about that. I do not know how an election is run in the other provinces across Canada, I have never seen one. Nor do I wish to unduly disparage my own province, but in Quebec, people are beginning to think that an election is the occasion of a huge treat. That should have been corrected long before 1963.

I was told that the present Quebec government was preparing an amendment to the act in order to grant to each party an amount proportionate to the number of votes obtained. Frankly, when you look at the report on election expenditures, after seeing some members at work during an election—and I would not wish to charge anyone with committing perjury—you would think they have very rickety adding machines.

When one sees the tremendous electoral machine at work in some ridings, one wonders if that is not tantamount to a lack of civilization. The electoral machine has an extraordinary influence on public opinion. In fact, it is even used to attack public men in their private lives. Another thing, candidates promise things they know they will never give. That is the harm that representatives do to Canadian politics.

I went through an election for the first time. The member for Brantford said that he is not ready to pass the hat. Well unfortunately I am one of those who had to pass the hat. But there is one good side to that: I showed in my return the correct amount of money I spent for election purposes, as I did not have to lie to arrive at a reasonable figure.

As the hon. member for Brantford stated, parties should report the sources of their income because foreigners are trying to influence our country's politics by contributing to the campaign funds of our political parties. People wonder why foreigners have so much power. It is because certain political parties have their hands tied by power-happy individuals. This is something that should have been discussed long before 1963 but since we are now dealing with this matter, we must take every means at our disposal to correct this situation which has done so much harm to this country.

If, as the hon. member for Brantford who sponsored the motion claims, this state of things is, as I presume, a danger to Canada, I gladly support the motion because this situation has to be corrected. In my opinion,

the whole house is duty bound to do so, because it is the first step toward the great political clean-up which must be made in order to have basically honest politics. I do not tax politics with complete dishonesty; but, to say the contrary, I should be obliged to stretch the truth a little. If political parties could balance their electoral budgets, I think they would be less reluctant to declare their sources of income.

In any case, I am talking on behalf of my own party. We were considered as beggars, but we do not owe anything to anyone. We only promised to give the best of ourselves. We have entered politics in full freedom and have acted accordingly. This is true of every single member of our party. It has been said that the situation was worse in provincial elections than in federal elections. But there is one thing we are beginning to realize in the province of Quebec, and it is that federal elections also are expensive. Federal political parties are taking the lead from provincial ones. Bad example does strange things.

Yet, it is the Canadian government who should set the example. That is why, it should be its duty to have some piece of legislation adopted, including provision to the effect, for instance, that elections should be held honestly, so that those who take part in them may remain honest. In other words, the example must come from Ottawa.

There would be much more to say on the matter, but other members probably wish to take the floor.

I have no doubt that the motion introduced by the hon. member will be carried. Therefore, may I close my remarks by saying that before rejecting this motion, we should consider it dispassionately in the interests of all Canadian citizens.

Mr. Azellus Denis (St. Denis): Would the hon. member allow a question? Could he tell me how much he received for his party from Jerry Martineau?

Mr. Ouellet: The hon. member's question is not even worth answering. However, I can tell him that we did not receive anything from Jerry Martineau, or from Mr. Pearson either. But we received funds from those who wanted a reform.

(Text):

Mr. J. H. Horner (Acadia): Mr. Speaker, in rising to speak on this motion one immediately realizes that what is being asked here has been asked on a number of different occasions down through the years. The question of elections and election expenses has come up for consideration in this house once already in this session and perhaps in a number of other sessions. Here we are being asked to refer certain conditions to a standing committee for the purpose of studying them and perhaps coming up with the solution suggested by the mover of this motion or perhaps disagreeing with it.

In the first place, the mover of the motion is asking us to limit expenditures in all Canada to an effective ceiling, whatever that effective ceiling may be. Whether he is trying to control or to limit people or whether he is trying to make it broad enough to include all the big spenders in his party and perhaps ours, I do not really know. However, I would suggest that the words "effective ceiling" could be debated for some hours before any figure could be arrived at.

He also would like to bring about a strict system of accounting for expenditures. I suggest this would be a very difficult thing to do as one never knows when one is making an expenditure on behalf of another in politics. For example, I as a candidate may have a flat tire and may have some farmer drive me to a campaign meeting. He may do this free of charge. He may be contributing to my election expenses. I do not know whether or not this item would have to be put in this strict accounting. Again, if some big company thought that my views or his views were right and came into the constituency and spent a great deal of money on that campaign without the person even asking for it, I do not know whether this money would be included as an expenditure in the campaign. It would be something which would be very hard to determine. In my opinion, it would be nearly impossible.

Last of all, his suggestion is to provide for the payment of all election expenses of candidates who secure a reasonable portion of the votes in a constituency. That is another matter which I think it would be very difficult for any deciding judge or any ruling body to determine. Certainly if we had a system such as that to which he referred in the United States or which was referred to in President Kennedy's remarks with regard to election expenses, or a system something similar to theirs where they have nearly got down to a two party system—while it is not statutory, that is in a sense what is operating there—then I might see the feasibility and the possibility of the government standing some or all of the expenditures of the candidate. However, in our country, anybody in a constituency, if he meets the conditions set out in the elections act with regard to being a Canadian citizen and has residence of the required time before the election is called, can become a candidate in that constituency. He does not have to belong to any given political party. He may even found his own

party and run, as a particular candidate did in my constituency in the 1962 election. Perhaps he felt he received a reasonable share of the vote. In his thinking maybe this was all he expected in the first year of founding his political party. I do not know about that. I never asked him. However, that may have been what he thought was a reasonable start.

Certainly the idea of a reasonable amount of anything could be subject to a great deal of question. The only other reference I know of with regard to "reasonable" is in the grain act under the grading of grain. If I am right and if I may refer to it for a moment, may I say that as to the definition of reasonable I think the grain act states that No. 2 wheat is to be reasonably free of weed seeds and immature kernels; and I am told by the board of grain commissioners that this deals with a figure of 5 per cent. No. 1 wheat, according to the terms of the grain act is to be practically free of immature kernels and weed seeds and No. 2 wheat shall be reasonably free of immature kernels; and they consider that 5 per cent or something near that figure of 5 per cent meets the requirement. Would 5 per cent be a reasonable percentage of the votes of a constituency? I do not know what the hon. member is referring to here. I point out this consideration. The matter could be subject to a great deal of controversy with regard to paying election expenses. With regard to limiting expenditures certainly one would have to take into consideration many things such as the locality of the constituency; the number of miles one is obliged to cover; whether it is all populated or whether it is partially populated; whether it covers a rough terrain as it would if a portion of it were in the Rocky mountains; and I can think of several in Alberta which are in the Rocky mountains; or whether it be in the Northwest Territories or the Yukon. Certainly those constituencies are much more difficult to campaign in. As years go on and as improvements in transportation take place and as those areas become more settled candidates will be obliged to spend more and more money in those areas. Perhaps private aeroplanes and the hiring of them will become more common. However, I suggest that they will be still very expensive and that many areas must be covered in that way.

I can certainly understand the situation with regard to a city riding which includes so many blocks west of Main street and so many blocks east of Main street and is a neat little parcel with many people living in it who are easy to get in touch with over one radio station perhaps, and in one daily newspaper. I can understand the feasibility of limiting expenses in a riding of that type. However, ridings of that type while perhaps not in the minority I am sure are not in the majority in this vast country of ours today.

I was in some ways interested in the remarks of the hon. member from the Social Credit party. From the way in which he started out I thought for a while he was against this particular measure. However, he corrected my wrong impression by stating that he would second the motion and strongly wished it to carry. This is an interesting viewpoint to be expressed by that particular party, because as one who comes from Alberta I know that the people there have seen numerous parties in that province rise and fall. I can think of the ginger group as it was commonly called which was elected in the twenties, the old U.F.A. government that operated there in the twenties and part of the thirties, and the present Social Credit government in that province.

If there were a system whereby the government paid part of the expenses of all candidates who received a reasonable share of the votes and if the number of candidates allowed to enter any campaign were in any way limited, one can readily see that various parties would never come out of the eggshell, shall I say. Even the Social Credit party might never have come into being in 1935 if such a system had been in existence because the government then might very well not have paid part of their election expenses and might very well have not even recognized them as having a possible chance. Certainly in the early founding days of that party they themselves must have wondered about this. I suppose they are no longer wondering, of course, because they have become established. However, they are trying desperately now to bring about a resurgence after having fallen on evil days.

I use this as an example. Certainly we cannot limit the number of candidates who may want to run in any given election. The hon. member for Brantford (Mr. Brown) referred to basic democratic principles and if we accept this as one of our basic democratic principles how can we as a government say that we will pay part or all of the election expenses of candidates as long as they receive a reasonable share of the votes? There might very well be a large number of candidates wishing to run in any given constituency and this could involve the expenditure of a great deal of money.

If there were a sufficiently large number of candidates this would eventually put a limit on the amount any one candidate could spend because there is only so much money to go around under today's conditions. Maybe if we started to print money, as some would

like us to do, there might be more. The hon. member for Brantford said in his closing remarks that we must guard our democratic principles; however I cannot support this motion because it leaves too many things undecided.

To sum up briefly, this effective ceiling about which he talks is a very mythical figure. I would hesitate to guess what it might be. In the last campaign I think I spent an average amount. Possibly that average would be taken as the ceiling in order to place a limit on expenditures in some of the constituencies where vast amounts were spent. I do not know. Maybe you would take the constituency where the most money was spent and use that figure as the limit. I do not know what is meant by an effective ceiling and I suggest there could be a good deal of debate on that point. I suggest that at no time would we all agree on what an effective ceiling should be. I think this is an elusive amount which would grow and grow as the years went by.

We can only refer to election costs in past years. For example, in the 1949 election total election expenditures by the various parties were a little over $2 million. In 1958 total election expenditures were substantially over $3 million and I suppose that at the present time such expenditures might well approach $4 million. The figure is going up all the time. The effective ceiling would have to be increased, I suggest, having in mind the urge that politicians have to get in touch with everybody in their riding and leave no hand unshaken and no door on which they have not knocked. As communications improve politicians will have an increasing urge to knock on every door and shake every hand. Therefore I suggest that election expenses will continue to rise and if an effective ceiling could be arrived at today it would not be suitable four years from now or eight years from now or at any other time.

The other point has to do with a strict accounting of such expenditures. I firmly believe that in an election a strict accounting is practically impossible. Let us be practical. Let us consider what is being suggested here and whether a committee of this house or the house itself should pass upon it or spend time debating it. A strict accounting of election expenses would be a very difficult thing to achieve because it would have to take into account everything that my neighbours or my good friends spent on my behalf. Every time they even talked to their neighbours or knocked on a few doors on my behalf any expense involved would have to be included.

I do not really know just what would have to be included, but there are many ways of getting around the carrying out of a strict accounting. I can remember a provincial election a few years ago in which I took a great deal of interest although I was not a candidate. I thought to myself that the sitting member was spending a terrific amount of money in that campaign and that there was a great deal of fanfare. His name was on the radio all the time and there was a great deal of fanfare in the local and weekly papers, including full page advertisements. I thought to myself that I would like to see his expense account when he published it after the election but, much to my surprise, when it came out the figure was very low. In fact, I think he had only spent a thousand dollars or so, according to the report in the paper.

I met him after the election and as I was on reasonably friendly terms with him I said, "How is it that your expenses were so low? I thought you were really burning up the money during that campaign?" He said, "That was not I; that was the party headquarters. That money was not spent by me at all."

These are questions that arise in my mind when I consider whether a strict accounting is possible. I think it would be practically impossible. I have dealt with the question of a reasonable proportion of the votes cast and the question of paying a part of the election expenses. I feel it would be very difficult to arrive at a reasonable proportion. If one wanted to, he could arrive at a reasonable proportion but it would definitely limit the number of candidates in a particular riding. It is all well and good to quote what President Kennedy said two days after he was elected, but I think it is more pertinent to inquire what he has said about the matter since. I have not seen that he has said anything about election expenses since. One can say a great many things two days after being elected or two days before but it does not take very long after being elected to become burdened with the cares of office, and perhaps this tends to make one's thinking a bit more reasonable and practical.

In this country where we have no limit on political parties or on the number of candidates who run in a particular constituency, I feel that the government in governing the country cannot accept the idea that the government should pay part or all of the election expenses, no matter what proportion of the votes we arrive at as being reasonable. If we wish to guard our democratic principles then I think we must not carry out any of the ideas suggested in this motion. I see no reason

why it cannot be debated in this hour and perhaps dropped then, because I see little worth-while, practical good coming from it.

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, I rise to express the views of the New Democratic party on the resolution that the hon. member for Brantford (Mr. Brown) has put before the house. We look upon this resolution as one which has a twofold purpose. It provides for the payment of election expenditures out of public funds and it imposes a ceiling upon election expenditures by candidates. In our view these things are important but, Mr. Speaker, we will not have an effective electoral law and we will not adequately reform our electoral system until we provide for complete disclosure of the sources of campaign funds. I agree, and I think all the members in all parties agree, that the present system badly needs to be changed.

I recall reading a few months ago an article in *Maclean's* magazine by James Scott, once a federal organizer for the Liberal party, who candidly revealed what went on in the Liberal and Conservative parties in connection with fund raising. He pointed out that when one of these parties was in office the people who received government contracts, corporations which received favours from the government, would allocate a certain amount of money for electoral purposes and would distribute 60 per cent of it to whichever of the old-line parties was in office and 40 per cent to whichever party was out of office. They met their campaign budgets rather effectively in those days, and no doubt they are still doing so.

The hon. member for Brantford believes, I take it, that if his party were to get into office again, which seems rather unlikely, they would change our electoral system to conform with the worth-while objectives found in his resolution. I am not aware of the policy of the Liberal party and whether it conforms to his resolution, but perhaps the leader of the Liberal party will change it overnight, as he has done with other policies espoused by the Liberal party. At the moment, however, Liberal policy remains in the same state of confusion, remains shrouded in the mist that surrounds not only Liberal party policy but apparently the leader of that party as well.

Mr. Pickersgill: Would the hon. gentleman permit my asking him a question?

Mr. Berger: Yes.

Mr. Pickersgill: Has the hon. gentleman ever taken the trouble to read the Liberal program which was presented at the last election? If he does, he will find that this resolution is in exact conformity with the policy we put before the country at the last election, and which we intend to carry out.

Mr. Berger: I gave up long ago reading Liberal propaganda because if the platform that is in the pamphlet the hon. member has waved on high is going to be carried out in the same way his party carried out its promise to introduce a national health insurance scheme back in 1919, then I think the point in reading his propaganda is lost—at least, that is the way it looks to me.

Let me deal with two matters that were raised by the resolution of the hon. member. He said that a payment should be made out of public funds to candidates securing a reasonable proportion of the total votes cast. This would discriminate against third parties in some of the provinces of Canada. The hon. member who just spoke pinpointed this difficulty I thought rather well. If the decision as to the reasonable proportion were to be left in the hands of some agency, some political group or some government which fixed it at such a high level third parties could not gain any advantage from the measure, this would present a serious difficulty.

In British Columbia, the Liberal party might be discriminated against because it is a third party there. In Newfoundland the Conservative party might be discriminated against because I understand that in that province every party except the party in power is a third party. In Ontario, the Social Credit party must be regarded as a third, fourth or fifth party, and perhaps it would be discriminated against. Let me point out that legislation which in principle was sound, put forward some time ago by the premier of Quebec, to reform the electoral system in his province, was legislation which discriminated against third parties. I think all of us were pleased to hear that apparently that legislation is going to receive further consideration before it is put before the legislature of that province.

Now, the hon. member also suggests in his resolution that there should be strict accountability for all expenditures of each candidate. This is important, that candidates should be accountable. However, we should keep in mind that under our present electoral system they are accountable. But it is not enough to make candidates accountable. Parties that contest federal elections are organized on a federal basis, and the federal organization of each party must be accountable. I gather, from what Mr. Scott has said, it is the federal organization which gets the funds which enable some parties to charter jetliners for their leaders to travel around the country. It is the federal party which pays for the

slick supplements in Sunday supplements and other newspapers which are used in federal election campaigns. It is the federal party which makes use of the Madison avenue techniques which inundate the population of this country with tons of political claptrap at election time.

Some of us wondered, as a matter of fact, when parliament opened, why the Leader of the Opposition (Mr. Pearson), even before parliament had opened, said that he wanted an election right away. He felt that the idea of an election was not to elect a parliament, but that you elected a parliament in order to have an election. At any rate, we wondered why he did not even wish to come into this house to hear what the government was going to put forward. The members of this party, like the members of the Liberal party, were disappointed when we heard what the government put before us. But we wondered why the Liberal leader did not wish even to come to parliament to hear it. We wondered why he did not wish to test the mettle of his colleagues in this house where, after all, we are all equal. We do not have to depend on chartered jetliners, the slick Sunday supplements; we do not have to rely on editorialists to whip themselves up into a frenzy of support.

My point is that the federal organization of each party must be made strictly accountable, not just the candidates themselves. If the candidate's funds are raised at the local level by small donations from various individuals in the local community, from local trade unions or local businessmen, then certainly the candidate's expenses will be disclosed under our elections act. But only that portion of the party's expenses which is raised at the local level will under those circumstances be disclosed, and the enormous amounts of money that, as James Scott has told us, are provided to the old-line parties at the federal level will not be accounted for. It is for this reason that the necessity for the full disclosure of election campaign expenses is, to some extent, not taken into account by this measure.

One of the members of this party put forward a resolution during the fall sitting of parliament proposing that certain of the expenses of candidates be paid for out of public funds. The hon. member for York South (Mr. Lewis) proposed that certain use of public news media be made available to candidates, that transportation expenses should be taken care of by the federal government, and that the expense of producing at least one piece of election literature be paid for out of public funds.

I think all of us would agree this is perhaps a better way to approach the problem than simply to provide a lump sum payment out of public funds, because this at least ensures that the public would not be put to the expense of providing political claptrap. The public will only be put to the expense of providing a useful, sensible and rational means of propagating the ideas espoused by each of the political parties.

I myself believe it is time in this country for parliament to consider establishing the equivalent of the C.B.C. in the newspaper field. The C.B.C. has worked in the field of broadcasting and television, and there is no reason why that concept cannot work in the field of the dissemination of news and public information by the press. Such an institution could be made available in the same way as free time broadcasts are made available at present to candidates, in order to enable them to put their platforms and policies before the public.

Politics is the public's business. I ask what good are democratic rights if only the wealthy can exercise them? What freedom of choice has the voter when it is only those candidates in those political parties with large resources available to them who can reach him with their messages? What freedom of choice can he have under those circumstances? How can the Canadian government be above suspicion, how can any party serve its country to the utmost, when the source of its funds is shrouded in a cloak of secrecy?

The hon. member for Brantford (Mr. Brown) has brought forward a motion proposing that public funds be made available to candidates for public office, and which would establish a ceiling on the amount of expenditures which could be made by any candidate for public office. Subject to the important reservations I have made that third parties should be not discriminated against, and that there should be an accounting at all levels, including the federal level, of election campaign expenses, I think the motion is sound and the members of this party will support it when the vote is called, as I am confident it will be during the next few minutes.

It is estimated that during the last election campaign more than $12 million was spent on election expenses, both at the federal level and by individual candidates, by the four parties sitting in this house. If the public were to undertake the expense involved in election campaigns and thereby obtain honesty in government and honesty in public administration, and achieve a situation where public administration could be removed from any taint of suspicion, it would be a small price to pay to bring honesty into the conduct of election campaigns in Canada and into the administration of public business.

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, unfortunately the shortness of time prevents me from dealing first with the largely irrelevant innuendoes just offered by the last speaker, but I would like to address a few remarks to certain statements made by the hon. member for Acadia (Mr. Horner).

I rise to speak in favour of the motion and would like to elaborate to some degree the attitude of this party to the proposal, and particularly to some of the questions raised by the hon. member for Acadia. His first and major objection was to the question of an effective ceiling on election expenses. He suggested in some way it would not be humanly possible to arrive at a proper effective ceiling for that purpose.

I would like to draw the attention of hon. members to the experience of other countries in the western world, and France in particular, where this kind of calculation has been found possible and the system has been satisfactory for many years. I recognize, however, there are problems in calculating such an effective ceiling caused not only by the topography of a particular riding, which was the kind of thing the hon. member referred to, but also problems caused by areas with which he may not be so familiar; and I speak of running an election campaign in large metropolitan centres. One of the problems is the hiring of space and media, and in the case of Toronto a candidate may pay full price for only one eighteenth of the coverage of a particular media.

These are the kinds of problems which could most effectively be dealt with by a committee, and it is for this reason that the hon. member for Brantford has suggested that the matter be referred to a committee where it can be fully studied. The committee can consider statements by those most experienced in this field and can also call on the services of experts in the field of political science.

The hon. member for Acadia raised problems with regard to the strict accountability of expenses. While I acknowledge the example he cited of a neighbour assisting him with a flat tire, and agree it may be difficult to account for that in election expenses, it is no different from the problem we have encountered with income tax in determining small contributions and donations which should come into income but which are difficult to account for. But, the difficulty of accounting for such particular sums has not prevented us from levying income tax.

With respect to the suggestion that the motion should refer only to those candidates who obtain a reasonable proportion of the total votes cast, I would make the suggestion that instead of having such a vague requirement, an arbitrary measure be put into the elections act providing that every candidate who gets 20 per cent of the votes cast will have his expenses met in this way. We already have a precedent in that act, in an equally arbitrary measure with regard to deposits.

Mr. Horner (Acadia): Will the hon. member permit a question?

Mr. Macdonald (Rosedale): No, I will not. There is little time remaining. All hon. members, of course, will want to support this bill if for no other reason than it relates to their personal solvency. Therefore in order to give hon. members an opportunity to cast their votes I shall sit down.

Mr. Horner (Acadia): You talked out your own motion. It is now six o'clock.

Mr. Speaker: The hour appointed for consideration of private members' business having expired the house will revert to the business that was interrupted at five o'clock. I was advised that the house leader was in the neighbourhood.

Mr. O'Hurley: He will not be here.

BUSINESS OF THE HOUSE

Mr. Chevrier: I was going to inquire from whoever is leading the house, and I take it it is the Minister of Defence Production, if he could indicate to the house what the business will be for Thursday and Friday?

Mr. O'Hurley: There is no change in the program. We will deal with external affairs estimates tomorrow, and Friday with national defence.

Mr. Chevrier: Could the acting house leader give any indication what the business would be for next week?

Mr. O'Hurley: I was told by the house leader just a moment ago that he will announce it tomorrow night.

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

APPENDIX "A"

FURTHER CORRESPONDENCE RESPECTING AMENDMENT OF B.N.A. ACT

(Translation):

Ottawa, January 3rd 1963.

My dear Premier,

In your letter of September 19th, in reply to mine of August 27th regarding the proposed amendment to section 94A of the British North America Act, you stated that, since the Quebec legislature had been dissolved, you felt it preferable to wait until it met again before going further into the matter.

You will be interested to know that I have now received a letter, dated December 11th, in which the premier of Newfoundland agrees to the proposed amendment to section 94A. Thus all provinces, save Quebec, have now signified concurrence in this amendment.

May I now take the liberty of expressing the hope that Quebec will join her nine sister provinces in support of the proposed amendment. It seems to me that the measure has become even more urgent since your last letter.

Yours sincerely,
John G. Diefenbaker.

The hon. Jean Lesage,
Premier of the Province of Quebec,
Quebec, P.Q.

OFFICE OF THE PREMIER

Province of Quebec

January 8th, 1963.

My dear Prime Minister,

In reply to your letter of January 3rd, I must say that I see no reason to change the position I took in my letters to you of January 24th and February 8th, 1962 with regard to Section 94A of the British North America Act.

At the time the provinces were asked their assent to the constitutional amendment of 1951 regarding Old Age pensions, the federal government had given them definite information on the nature of the legislation it was planning to enact. Now, on the contrary, we are given only the vaguest of indications which do not allow us to determine the implications of the unexplicit text we are asked to accept.

I must therefore repeat that I find it impossible to introduce a proposed constitutional amendment in the legislature unless I have on hand the particulars of your project.

I intend to table in the house a copy of your last letter, together with this reply, as soon as the next session opens on Tuesday the 15th.

Yours sincerely,
Jean Lesage.

The Right Hon. John G. Diefenbaker,
Prime Minister of Canada,
Parliament Buildings,
Ottawa.

(Text):

Ottawa, December 24th, 1962.

The Honourable J. R. Smallwood, M.H.A.,
Premier of Newfoundland,
St. John's, Newfoundland.

My dear Premier,

I acknowledge and thank you for your letter of December 11 in which you advise that the government of Newfoundland have no objection to the proposed amendment to section 94A of the British North America Act, which would allow parliament to legislate in relation not only to old age pensions, but also in relation to pensions and other benefits incidental to, and conducive to the better operation and administration of, a scheme of old age pensions.

You ask that your administration be advised of the nature of the legislation which the government of Canada proposes to introduce and you suggest that this was done in 1951 when the present clause 94A was added to the British North America Act. According to my information, although there was consultation between the federal and provincial governments at that time it did not result in any effort to provide or request detailed information on the legislative measures that were to follow the adoption of the constitutional amendment.

With respect to your request that you be advised as to how soon, after the concurrence of the governments of all the provinces

is secured, it is proposed to introduce the legislation into parliament, I would say that after the address has been passed by the Canadian parliament and the British North America Act amendment has been passed at Westminster then we will be in a position to introduce legislation.

Yours sincerely,

"Original signed by
John G. Diefenbaker".

The government of the province of Newfoundland

THE PREMIER

St. John's

11 December, 1962

Right Hon. John G. Diefenbaker, M.P.,
Prime Minister of Canada,
Ottawa.

My dear Prime Minister:

My colleagues and I have now had an opportunity to give consideration to the proposal made originally in your letter of January 27, 1962 and renewed in a letter of August 25 for the concurrence of the governments of the provinces in a proposed amendment to section 94A of the British North America Act to provide explicitly that the parliament of Canada should be authorized to legislate not merely with respect to old age pensions but also with respect to pensions and other benefits incidental to, or conducive to the better operation and administration of a scheme of old age pensions.

We are wholly sympathetic to the idea of incorporating in any contributory old age security legislation provisions for the payment of benefits to widows and children of contributors and to contributors who become permanently disabled. While our government is inclined to review that the present section 94A might provide sufficient legislative authority for such legislation we see no objection to an explicit reference in the constitution which would remove all doubt on this score.

We recall that when the original amendment was made in 1951 to include section 94A the provincial governments were advised of the nature of the legislation the government of Canada proposed to introduce in parliament and we would hope that a similar courtesy would be extended by your administration in the present circumstance. We would also appreciate being advised as to how soon after the concurrence of the governments of all the provinces is secured it is proposed to introduce the legislation into parliament.

Meanwhile this letter is to advise you that the government of Newfoundland have no objection to the proposed amendment.

Sincerely yours,

Joseph R. Smallwood.

HOUSE OF COMMONS

Thursday, January 24, 1963

The house met at 2.30 p.m.

VACANCY

Mr. Speaker: I have the honour to inform the house that I have received a communication notifying me that a vacancy has occurred in the representation, namely of Hon. William Earl Rowe, member for the electoral district of Dufferin-Simcoe, by resignation.

Accordingly I have issued my warrant to the chief electoral officer for the issue of a new writ of election for the said electoral district.

HEALTH AND WELFARE

TABLING OF REPORT ON PROCEDURES RESPECTING NEW DRUGS

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I have now received the report of the special committee on new drugs appointed at my request by the Royal College of Physicians and Surgeons of Canada to examine the present departmental procedures for dealing with new drugs, the requirements of the regulations under the Food and Drugs Act, and any other matters felt to be relevant to the issue. With the permission of the house I should like to table this report and offer a few introductory comments on it.

At the outset I should like to express my deepest thanks to the royal college for having established such an effective and hard working committee. Possibly the best way to express my thanks to the committee is to say that I find myself in complete agreement with the conclusions it has drawn and the recommendations it has made, and I am anxious to move forward as quickly as possible to achieve the objectives described in the report.

As the house will see, this document should prove to be of great value in the government's current study to find the best means of ensuring that the Canadian public continues to receive the utmost protection in this age of scientific and medical advancement. Under the chairmanship of Dr. F. S. Brien the committee has gone into the subject in a wealth of detail, receiving a considerable number of submissions from Canadian sources and much assistance from U.S. authorities. Dr. Brien, and his associates Dr. Dufresne and Dr. Sellers, must be congratulated on the manner in which they have come to the heart of the problem, and on the forthright way in which they suggest the steps that should now be taken.

The committee has clearly stated that the underlying purpose of the Food and Drugs Act is not the impossible objective of eliminating risks associated with the use of drugs, but the more practical one of keeping such risks to a minimum. It also recognizes that it would be quite impractical to suggest that all drug testing be assigned to a government agency. Its principal recommendations involve increases in the directorate's professional staff and the provision of further discretionary powers to the minister, permitting the immediate withdrawal of a drug from sale or other changes in its status when it is felt that the need for such action has arisen.

We have already made certain moves toward remedying the staff situation and are making progress in other respects. I would hope that the special committee of the house on food and drugs will turn its attention to this report, and I shall be pleased to go into further detail at that time.

With its formal report the royal college committee sent to me a considerable number of appendices containing documents and reports it had referred to in the course of its deliberations. In view of the bulk of this material it has not yet been possible to take copies from the originals, and with the permission of the house I should like to table copies of the report now and undertake to deposit copies of the appendices with the Clerk as soon as these are available.

Mr. Speaker: The minister seeks leave of the house to table the documents referred to in his statement. Is it agreed?

Some hon. Members: Agreed.

NORTHERN AFFAIRS AND NATIONAL RESOURCES

PROVISION FOR ASSISTANCE IN DEVELOPMENT OF NATIONAL MUSEUM

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to assist and facilitate the development of the national

museum of Canada and to establish a Canadian historical museum, a Canadian museum of natural history, a Canadian museum of science and to authorize such other museums as may be established by the governor in council, as the integral parts of the national museum; to provide for the appointment of the director general of the national museum who shall be paid such salary as may be fixed by the governor in council; and to provide also for the establishment of a national museum advisory committee and for the payment of the travelling expenses and per diem allowances of the members thereof.

Motion agreed to.

PUBLIC SERVICE

EXTENSION OF SALARY INCREASES TO RECENTLY RETIRED CIVIL SERVANTS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Can the minister say whether the government has considered finding a way to provide the salary increases that were awarded civil servants to those civil servants who had retired before December 10 but had worked during the period covered by retroactivity?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, this matter is receiving the attention of the government. We are faced, of course, with the statutory requirements and regulations, but we are giving careful consideration to what steps might be taken.

NATIONAL REVENUE

CAMPOBELLO, N.B.—REQUEST FOR 24 HOUR SERVICE ON BRIDGE

On the orders of the day:

Mr. H. J. Robichaud (Gloucester): May I direct a question to the Minister of National Revenue in view of the absence because of illness of the hon. member for Charlotte, inasmuch as this question is of keen interest to the residents of Charlotte county. Can the minister advise the house whether a decision has been reached to restore 24 hour service on the Roosevelt memorial bridge between Campobello island and Lubec, Maine, where customs services have been withdrawn during night hours for eight months of the year due to—

Mr. Speaker: Order. I think I indicated yesterday and perhaps also on a previous occasion that this matter should be more properly put on the order paper.

[*Later:*]

Mr. Robichaud: Mr. Speaker, I have a question for the Minister of Forestry. As Minister of Forestry and as the representative of New Brunswick in the government, is the minister prepared to give favourable consideration to representations he has received from various sources on behalf of the 1,400 residents of Campobello island for the restoration of full time service on the Roosevelt memorial bridge in order to ensure the continuous movement of both fish and pulpwood from Campobello to the mainland?

Mr. Speaker: Order. The question is the same as the previous one, in a different version, and I still think it should go on the order paper.

Mr. Robichaud: On a point of order, Mr. Speaker, this is a question which affects the immediate livelihood of citizens of this country. They reside on an island, and this bridge is the one connection they have with the mainland.

Mr. Nowlan: Who built it?

Mr. Speaker: I fully realize there may be some importance to the subject, but I am questioning the fact whether the information is urgently required at this particular time, and in the form in which the question was put forward.

Mr. Robichaud: On a point of order—

Mr. Speaker: Order.

(Translation):

PRIVILEGE

MR. GREGOIRE—REFERENCE TO STATEMENTS BY MEMBER FOR LAURIER

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): I rise on a question of privilege, Mr. Speaker. Yesterday, the hon. member for Laurier stated on television that he had found a way to force us to vote with the Liberals. In spite of his dictatorial intentions, I rise in protest and I submit that we are free to vote in the house as we see fit.

Mr. Speaker: I do not think there are sufficient grounds here for any question of privilege. I should like to draw the attention of hon. members to the fact that, before rising on a question of privilege, they should examine the circumstances to determine whether the situation warrants such a question of privilege. At any rate, the hon. member has made his explanation.

MR. DUMONT—REFERENCE TO STATEMENT BY PRIME MINISTER

Mr. Bernard Dumont (Bellechasse): I rise on a question of privilege, Mr. Speaker. Since the translation always reaches us a little late, I was unable to put this question earlier.

As reported on page 1 of the appendix to *Hansard* of November 13, I asked the Prime

Minister whether the people of Algeria could not be assisted with supplies of our surplus foodstuffs.

The Prime Minister immediately answered as follows:

—there has been no request in this regard, no suggestion that this would be appropriate, and nothing to indicate that the government of Algeria would be interested in such a measure.

I received the following reply today from the president of French Algeria, Mr. Ben Bella:

Our newly independent country, which has gone through more than seven years of war, strives to provide living conditions worthy of a sorely tried population; but in the meantime,—

Mr. Speaker: Order. I am wondering what question of privilege the hon. member wishes to raise. Until now, he has merely been giving certain information. I fail to see any grounds for a question of privilege.

Mr. Dumont: I am getting there, Mr. Speaker. It is because at that time I had been told that Mr. Ben Bella had not asked for anything. However, he informs me that Canada's contribution would be greatly appreciated—

Mr. Speaker: Order. The hon. member has raised the question of privilege. What is it about? He cannot raise a question of privilege by just giving information or saying he has now received a reply. On what does he base his question of privilege—

Mr. Dumont: I would simply ask the Prime Minister that, in giving wheat to Algeria, he proceed as swiftly as he did for the gift of furniture to the headquarters of the international telecommunications union, in Geneva.

Mr. Speaker: That is not a question of privilege. I would suggest to the hon. member that he study what a question of privilege is before raising it. That should enable him to raise a proper one.

Mr. Dumont: I merely wanted to ask the Prime Minister once again to send food to Algeria for the thousands of children who are starving there.

(Text):

FISHERIES

NORTH PACIFIC FISHERIES COMMISSION—INQUIRY AS TO RECOMMENDATIONS

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): I should like to address a question to the Minister of Fisheries. Has the Canadian government officially endorsed the recommendations of the international north Pacific fisheries commission, thus permitting the Japanese to fish for herring off the west coast of British Columbia?

Inquiries of the Ministry

Hon. J. A. MacLean (Minister of Fisheries): No, Mr. Speaker.

HOUSING

PIERREFONDS, QUE.—REPORTED COMPLAINTS RESPECTING CLOVERDALE PARK PROJECT

On the orders of the day:

Mr. Raymond Rock (Jacques Cartier-Lasalle): I should like to address a question to the Minister of Public Works or, in his absence, to his parliamentary secretary. Is any investigation being made by the national housing corporation at the Cloverdale Park project at Pierrefonds, Quebec, as a result of complaints made by the maintenance staff, a copy of which I believe the minister has received?

Mr. Speaker: Order. I think the hon. member will recognize that his question would be better placed on the order paper.

Mr. Rock: With the greatest respect, Mr. Speaker, I believe that this—

Mr. Speaker: There is no question here of the information being urgently required at this time. I think the hon. member will recognize that as a fact.

EXTERNAL AFFAIRS

REQUEST FOR DISTINCTION BETWEEN COLOMBO PLAN AND COLOMBO CONFERENCE

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Secretary of State for External Affairs. In view of the references in the press to the Colombo conference and its peace proposals placed before the governments of India and China, and in view of some confusion in the public mind between this Colombo conference and the Colombo plan in which Canada participates, would the minister briefly explain to the house the composition of the Colombo conference as distinct from that of the Colombo plan?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I have no doubt there is some misinformation about this particular title. As hon. members are aware Canada has, from the start, participated in the co-operative enterprise to provide economic and technical assistance to the countries of southeast Asia, which is known as the Colombo plan. There is absolutely no connection between the Colombo plan and the recent Colombo conference. At this conference, which Canada was not invited to attend, and which met in Colombo last December 10, Ceylon, Cambodia, Indonesia,

Burma, Ghana and the United Arab Republic were represented. Their purpose was to consider ways by which some settlement of the border dispute between India and China might be found. They arrived at certain proposals, and these were conveyed to the governments of communist China and India.

POWER

COLUMBIA RIVER—REFERENCE OF TREATY TO HOUSE COMMITTEE

On the orders of the day:

Mr. Arthur Laing (Vancouver South): Mr. Speaker, this question is for the Prime Minister. I would like to ask what is now standing in the way of the immediate referral of the terms of the Columbia river treaty to the committee on external affairs.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I answered this question yesterday.

Mr. Laing: On a point of order, Mr. Speaker, I asked this question yesterday and the Secretary of State for External Affairs did not answer it.

Mr. Speaker: I would draw to the attention of the hon. member the fact that he is not in a position to raise a point of order. It is not a point of order he is raising, he is trying to comment on an answer, which is not allowed.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Robert W. Prittie (Burnaby-Richmond): Mr. Speaker, I have a question for the minister of northern affairs. Does the minister propose to inform the government of the United Kingdom how Canadians manage to survive through the long cold winters?

Mr. Speaker: Order.

(Translation):

SPORTS

INQUIRY AS TO DISTRIBUTION OF FUNDS PROVIDED

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, my question is directed to the Prime Minister. In view of the great importance given to physical training by the government, does it intend to distribute the balance of the $5 million provided for sport in the last budget?

(Text):

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I am sorry. I presume the question was addressed to me, and I was a little late getting my earphone up.

(Translation):

Mr. Langlois: In view of the importance—

Mr. Speaker: Order. An answer has been given. Is this a supplementary question?

Mr. Langlois: The minister did not understand my question, as he did not have his earphones on.

In view of the great importance given to physical training by the government, does it intend to distribute the balance of the $5 million provided for sport in the last budget?

(Text):

Mr. Monteith: The statutory amount provided by the act is $5 million. As explained earlier it was felt that this amount could not be spent in the early stages of the program, but certainly it is intended to be available.

(Translation):

Mr. Langlois: I have a supplementary question, Mr. Speaker. Is it due to the grants already made that the government was able to get Miss Claude Robitaille to give such a wonderful performance at the last Conservative convention?

(Text):

FINANCE

CONTINUATION OF SALE OF 1962 SERIES BONDS

On the orders of the day:

Mr. W. H. McMillan (Welland): I wish to direct a question to the Minister of Finance. How long does the government propose to keep the 1962 series of Canada savings bonds on sale?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I cannot give any definite date. As is always the case, the advertisement said the sale might be terminated on the order of the Minister of Finance. So far they have not been on sale for a period of time comparable to other issues, and I shall give consideration to terminating them at the proper time.

BUSINESS OF THE HOUSE

INQUIRY AS TO LEGISLATION RESPECTING TRANSPORTATION AND PUBLICATIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Prime Minister. My question relates to his announcement of last Monday that notices of legislation arising out of the MacPherson royal commission and the O'Leary

royal commission would appear in that day's *Votes and Proceedings*. Since these notices have not yet appeared, can the Prime Minister say when they will be placed on the order paper?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I will have to look into that. We were in a position to place those matters on the order paper, and I will see what is the reason for it not being done.

HEALTH AND WELFARE

INQUIRY AS TO HEALTH PROTECTION IN NORTHERN AREAS

On the orders of the day:

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, yesterday in my absence the hon. member for Vancouver-Burrard (Mr. Berger) asked whether there was any more recent information concerning nuclear fall-out in northern Canada. I wish to state that I have nothing to add to the reply I made on Monday, other than to emphasize that my department is working closely with the Department of National Health and Welfare to determine the actual facts.

PUBLIC BUILDINGS

NEWFOUNDLAND AND PRINCE EDWARD ISLAND—REQUEST FOR CONSTRUCTION OF POST OFFICES

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, in the absence of the Minister of Public Works I wonder if I could ask the parliamentary secretary whether the department is carrying on a winter works program of building small post offices, as was done last year, and if so whether they would consider building some in Newfoundland and Prince Edward Island this year.

Mr. R. J. McCleave (Parliamentary Secretary to the Minister of Public Works): Mr. Speaker, the answer is that the department is carrying out the programs which have been carried out in previous years, and communities which qualify for such post offices will receive them.

Mr. Pickersgill: Could I ask a supplementary question, sir? Is the parliamentary secretary aware that none were built in either of those two provinces last year?

Mr. McCleave: Mr. Speaker, the department spreads its good works in all provinces of Canada.

Mr. Speaker: Order. I think we are now getting into a discussion.

HOUSE OF COMMONS

INQUIRY AS TO ABOLITION OF CLOSURE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Is it still the intention of the government, as announced in the speech from the throne, to ask the House of Commons at this session to abolish closure? Meantime, will the government assure us that closure will not be applied this session in any way?

Some hon. Members: Oh, oh.

Mr. Fairweather: That is the Liberals.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, there was a change of government in 1957, and there will be no closure under this government.

Mr. Martin (Essex East): There will soon be another change of government.

(Translation):

TRADE

WORLD FAIR—APPOINTMENT OF MR. JEAN DRAPEAU AS DIRECTOR

On the orders of the day:

Mr. Prosper Boulanger (Mercier): Mr. Speaker, I wish to direct a question to the Associate Minister of National Defence. Since the government, for reasons unknown to us, did not see fit to appoint Mr. Jean Drapeau commissioner general of the world exhibition, could the minister tell us at least if Mr. Drapeau will be appointed commissioner or director of that commission?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, within a few days the names of the commissioners of the world exhibition will be announced and I hope that my hon. friend's curiosity will be satisfied.

(Text):

SUPPLY

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

DEPARTMENT OF EXTERNAL AFFAIRS

1. Departmental administration, $7,305,200.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Chairman, this afternoon I intend to go over the broad outlines of various questions in the sphere of internationl affairs in which Canada is directly interested. As hon. members will realize, it will not be possible to go into great detail on any of these particular subjects.

Before I proceed with that review, may I express the belief that we have now moved into a new era in the world, largely because of certain developments which have taken place within the last few months or which will take place within the next few months, each one of which has very far reaching implications. For example, there is the movement of Great Britain into the European community. We all know it is not yet certain whether that move will be made; but no matter whether it is or is not, what has happened in connection with that proposal as between Great Britain and the six countries of continental Europe is bound to have very far reaching effects. In the last day or two we have seen France and West Germany signing a treaty of friendship covering political questions, economic questions and defence questions. There is a great shifting going on in Europe, and no one can tell at this time what the end result will be.

That brings up another far reaching development. I believe that in the commonwealth at the present time we are in a state of flux. I had the privilege of attending the prime ministers' conference in September of last year, and naturally every one of the delegates there was very much interested in the question whether Great Britain would go into the European community, and what the future of the commonwealth was to be. Whether one thought that Great Britain should or should not go in, a great deal of thought was given to the future of the commonwealth. I think the value of the commonwealth was impressed upon the mind of everyone there, and I have no doubt on the minds of millions of people in the various nations of the commonwealth.

Again in the field of trade, we are now in a period when very far reaching changes may take place in the trade carried on in various parts of the world. That question, of course, was of great importance in connection with the British and European community negotiations, but it is also important in many other spheres. I recall to hon. members at this point the statement which was made by our own Prime Minister at the prime ministers' conference with regard to this question, when he made a proposal which I think can roughly be described from the following notes of his comments:

> I propose that this conference should declare its intention to extend an invitation to all member nations of the commonwealth, of the E.E.C., E.F.T.A., the U.S.A. and Japan and other like minded nations, indicating a desire to participate, to meet at the earliest practicable date to give consideration as to how to deal with the trading problems before us in a way which will be to the mutual advantage of all.

That idea or something very much like it may very well be the course that is followed eventually. However, hon. members will recall that in the next month, in October of last year, the United States congress approved important new trade legislation under which the United States was to participate in forthcoming international tariff negotiations. At that time, in an exchange of letters between our Prime Minister and President Kennedy, it was agreed that Canada and the United States should take the initiative in proposing a meeting of the ministers of the GATT contracting parties to discuss important trade developments and to make plans for the GATT tariffs and trade conference. That has now been carried out. A joint Canada-United States proposal for such a ministerial meeting was accepted in November of 1962 and the GATT council, which is not, of course, a ministerial council, is to meet on February 18. It will set a date for this ministerial meeting, and it is expected that the ministerial meeting of GATT will be held about the middle of May.

Then at about roughly the same time in the United Nations the underdeveloped countries were pressing for a United Nations world conference. There was a good deal of discussion about that in the second committee, and finally it was decided that there would be a United Nations world trade conference, which will be concerned primarily with the broad range of trade and development problems of the less developed countries; and this conference is to be held early in 1964. Canada, by the way, took a very prominent part in bringing about agreement on the terms of that resolution in the United Nations. There was a dispute between the less developed countries and the large trading countries as to the time at which the conference was to be held, but we were able to bring about a settlement of that difficulty. All these movements are going on, or are about to go on, in the field of trade. I suggest that this will be an extremely significant trade year for all parts of the world, and particularly for Canada, because we are as vitally interested in world trade as any other country.

Another development of far reaching implication has been the successful settlement by President de Gaulle of the trouble in Algeria. This had the whole Arab world in a turmoil and was causing trouble with all the African countries. It was a great bleeding wound for France herself, and was a problem which appeared almost impossible of solution. Yet that problem is at least well on the way to settlement, and I think the fact there has been such a settlement will be of great importance in the months ahead.

Then, of course, there was the Cuban episode. There the Americans, acting with

firmness and I think with moderation—I suggest with moderation—achieved great success. The Cuban episode has made perfectly clear that in the world today the preponderance of power is with the United States. No longer is it a question of two great equal nuclear powers. I suggest that at the present time the United States is beyond any shadow of doubt preponderant in power. That, Mr. Chairman, may constitute quite a temptation. When you are the biggest fellow in the school yard it is quite a temptation to shove everybody else around. Now, I am confident that there will be no such development in United States policy. I am confident that they will not adopt a policy of getting tough with their allies. For Canada, of course, it is particularly important whether anything of that kind develops.

Another outstanding development has been the success of the United Nations in the Congo within the last few days. That was the most difficult operation this great world organization had ever undertaken. I have no doubt that every member in this chamber has wondered many times how on earth the United Nations would ever get out of the Congo and also how they would ever be able to bring about any order in that unhappy country. Yet they are well on the way now. The premier of Katanga met the United Nations troops when they drove into Kolwezi and welcomed them there, and took the stand that his state would be part of the nation of the Congo. This means a great deal in building up the prestige of the United Nations and a great deal in bringing about world order.

The United Nations also had another big lift or a great impetus from the fact that in the Cuban crisis the United States and the Soviet union rushed right into the U.N. in an effort to get some agreement worked out. They did not stand outside. They did not just ignore the United Nations and go about working things out themselves or anything like that. They went to the United Nations and Secretary General U Thant did a statesmanlike job in helping to work out an agreement on Cuba.

Another development which I think is very far reaching has been the steady reduction in the number of colonies. This colonialism question has been a difficult and nasty one in the United Nations and all over the world. Most of the former dependent countries now have their independence. There are a few more to come, and I am confident that they will gain independence in due course. However, quite a large segment of that problem has been settled. There is one which remains to be dealt with and in which our own nation of Canada took the lead, namely the question of Soviet imperialism or what happens inside the present Soviet union. These Soviet representatives have been very quick and very bold about attacking Great Britain, and France in the United Nations for what they have been doing about colonies. However, there has not been in the Soviet union one little move to give the people within their boundaries any right at all to decide whether or not they wish to have their independence back again. Hence this issue is one which will still have to be dealt with.

Another far reaching development has been the attack by red China on India. That was an amazing action which it is hard for any Canadian to understand. Here was India, one of the leaders of the unaligned countries, which was certainly giving no offence to the red Chinese and doing nothing to justify aggression of that kind, yet red China struck. It does not require much imagination to realize that this action will have a far reaching effect in all the unaligned countries. I am confident that they are watching that action and that they will have made some decisions which certainly will not be against the interests of western nations such as Canada.

Then there has been the disagreement between the Soviet union and red China. For many months now we have heard rumours about arguments going on in the communist camp. I do not think it is ever wise to put too much credence in reports of that type, for should anything develop leading to really serious trouble I have no doubt they would get together again very quickly. However, the argument has gone on, it has grown louder and it has come out into the open, until when they were meeting in East Germany last week they were observed to be really going at it just in the way we sometimes go at each other in the House of Commons. Wonders will never cease. As I say, this development may have very far reaching effects.

Then another development with far reaching implications has been the recognition by every leader in every nation of the world of impending doom—and I repeat the words "of impending doom"—if there is a nuclear war or if no method of living together can be devised. Across this world today there is a will for peace such as there never has been previously. One needed only to go to the United Nations at the last session and be there while the Cuban crisis was under way in order to realize that mankind, as represented there by the delegates from 110 countries, was determined that something had to be done, and quickly, in order to bring about world peace for hundreds of millions of people who otherwise would perish from this earth.

As I see it, these are the main developments which have taken place or are in the process

of taking place and which have much wider implications than has been the case at any other time since I have had the privilege of being Secretary of State for External Affairs.

The question may be asked, where does Canada fit into this picture? May I say that Canada is involved and is helping in an idealistic way all over the world. I mention first the field of disarmament. I deal with that first because this is the main way in which world peace can eventually be achieved. This is where effort is most worth while.

By disarmament I do not mean simply stopping the development of more deadly weapons or reducing existing weapons, although such results would be of the utmost importance; I define it in the wider sense as including the stopping of nuclear weapons tests, stopping the pollution of the air that we, our children and our grandchildren will have to breathe, reducing tensions, reducing distrust. It is very hard to bring about any settlement as long as nations distrust each other so that every word one says the other disbelieves instantaneously. I include all activities of that kind under disarmament.

Canada is involved in this question for good reason. We just happen to lie between the two great nuclear powers. If there is a nuclear war we are in for it. Our cities will be destroyed. On the Saturday night after the Cuban crisis arose I believed, and I have no doubt many other people did, that before morning Ottawa might be demolished, as well as Montreal, Toronto and my home city of Vancouver. Canada has another good reason to be interested in questions having to do with disarmament, for we are in a heavy fall-out area. This nation is in one of the worst fall-out areas in the world, the temperate zone. It is admitted that Canada is in one of the worst areas. Fall-out may affect not only us but the very food we grow, and no one knows yet what the end result will be of the nuclear tests which have already taken place, because a lot of the fall-out is not yet down. Questions were asked just today about strontium 90 in the food Eskimos in northern Canada are eating.

The government believes that Canada can do something worth while on the question of disarmament. One reason is because we were chosen by our western colleagues in NATO as one of the NATO negotiators on the ten-nation committee set up in September of 1959, and I would point out that this does not look as though we were quite as low in the esteem of NATO as some of our friends opposite would have the Canadian people believe. Five NATO countries, Great Britain, the United States, France, Italy and Canada, and five communist countries, the Soviet union, Poland, Czechoslovakia, Bulgaria and Rumania, formed the committee.

Then there is the question of our position vis-à-vis Great Britain and the United States. Our relationships with these two countries are such that we can talk to them on this or any other issue on a more intimate basis than any other country in the world. Another reason we believe that Canada can do something worth while is that we happen to have the confidence of practically all the unaligned countries in the world. I do not believe there is a country of the NATO group or of the Warsaw pact group that has nearly as many friends among the unaligned countries as Canada has, and that is because these nations have confidence in us.

Another reason we believe that Canada can do something on this question is that we have as our chief disarmament negotiator Lieutenant General E. L. M. Burns, a distinguished Canadian with a splendid record in both wars, a record as head of the United Nations emergency force, a splendid record in the civil service, a man who in my judgment is the best qualified man in the world today on the question of disarmament. He certainly has the respect of the delegates of every one of the 16 nations participating in the present disarmament negotiations, including the communist countries.

The ten-nation committee was set up in September of 1959 by the four western foreign ministers, not by the United Nations. The committee tried to work out some agreement but on June 27, 1960, all the communist delegates got up and walked out. The chairman at the time happened to be from one of the communist countries and he refused to hear any western delegates. He heard the delegates from the other four communist countries; then the delegates from the five countries picked up their brief cases and out they went. That was not a very promising development from the point of view of anyone interested in the field of disarmament.

However, the Americans worked with us on this issue in a spirit of splendid co-operation and we managed to get a meeting of the United Nations disarmament commission. The communists said they were not going to attend and were going to boycott the meeting, and they boycotted it right up to the time we were about to meet in New York. But when India and all the other unaligned countries made it perfectly clear that they were going to be there anyway, in came the communist delegates at the last minute, and we had a pretty good meeting of the United

Nations disarmament commission. This was not a meeting of the United Nations, although the nations were the same, but a meeting of the commission and, by the way, it has not met since.

A resolution was approved unanimously urging the resumption of disarmament negotiations at once. The Russians voted for it too. But then nothing happened. However, it was an expression of world opinion. At the meeting of this commission we demanded that negotiations be resumed, and we urged that representatives of the unaligned countries be added to the negotiators. There was no use sending back the five Warsaw pact countries and the five NATO countries, because they would clash in the first 15 minutes and that would be it. So Canada urged that representatives of the unaligned countries be added.

The general assembly of the United Nations met a few weeks after that, in the fall of 1960. At that time the hon. member for Oxford (Mr. Nesbitt) was my parliamentary secretary and he took a magnificent part in the deliberations at the United Nations. He really carried the ball for Canada. We stressed the need to resume negotiations from the start to the finish of that session. We insisted that the disarmament negotiations had to be resumed. I remember he telephoned me once at Goose Bay where I had just landed for half an hour in returning from Europe. He happened to get me and he said, "Things are getting pretty tough down here. I am afraid we are going to get a good licking if we go ahead and force a vote on this particular resolution." We talked for a few minutes and then we decided we would go ahead and force a vote anyway. We took a good licking just to show that we meant business on this question of resuming the disarmament negotiations.

At the same time, starting really in 1959, we had been bringing in resolutions about radiation with the idea of focusing world opinion on the menace of these nuclear weapons tests. We have been getting these resolutions carried with more support every year. This year we did not have nearly as much trouble, I will tell you, as we did in 1959. In 1961 the Soviet union, if you please, resumed tests. They had been negotiating the question with the United States and Britain for nearly three years. During all that time there had been a voluntary moratorium. Then in September, 1961, out they come and start tests. Obviously they had been making preparations for several months.

When the United States general assembly met in 1961 the Soviet union was in the middle of these tests. Perhaps you will recall that they were going to set off a 100 megaton bomb and Canada and the Scandinavian countries—Canada nearly always works with them in the United Nations—took the lead in bringing in a resolution urging Premier Khrushchev not to set off that bomb. There again we had a lot of trouble, because some nations said what is the use? In the meantime he set off a bomb, and everybody thought it was a 100 megaton bomb. Then, fortunately, we discovered it was only 50 megatons, so our resolution still made sense the way it was worded against the 100 megaton bomb. In the final analysis, that resolution carried with the support of all the nations except the communist countries.

By this time opinion had been aroused about this testing, and in December of 1961 the United States and Russia reached agreement that there would be an 18-nation disarmament committee, and they named the committee.

The Chairman: Order. May I interrupt the minister to advise him his time has expired.

Mr. Martin (Essex East): I am sure the committee will want the minister to continue.

The Chairman: Will the committee give its unanimous consent to allow the minister to continue?

Some hon. Members: Agreed.

Mr. Green: I am very grateful to hon. members for allowing me to continue. Agreement was reached by all the members of the United Nations to set up this 18-nation disarmament committee including the same five countries from the west and the same five from the east, plus eight unaligned countries as we had been urging. Those countries were India, Burma, Sweden, United Arab Republic, Ethiopia, Nigeria, Brazil and Mexico. They met at Geneva in March of last year. Mind you, only 17 countries met, because for some reason or other France declined to participate. The western countries are now only four, namely, Great Britain, the United States, Italy and Canada.

At the meeting in Geneva we took the lead in urging that the United States and the Soviet union be joint chairmen of that committee. This had worked very well in the conference on Laos, and we thought it would help to have them as co-chairmen of the disarmament committee. This was agreed to. I feel it is a good idea because, in reality, if these two countries do not reach agreement there is not going to be any agreement, and it is wise to have the responsibility directly on them. It has some disadvantages. I think that having nuclear weapons, they do not have the same sense of urgency about getting some agreement worked out that the rest of us do. I know the disarmament committee was to meet on January 15, of this year, but these two nations got together and decided it should

not meet until February 12. However, in the meantime they are carrying on what could be very useful. By the way, we did not agree to the delay. We thought it was a mistake to postpone the meeting.

In the disarmament committee negotiations the eight unaligned countries have played an excellent part. I never hesitate to pay tribute to them for their objectivity and for their sincerity, for the way in which they are trying to help bring about agreement. There is a subcommittee on nuclear test ban problems. We tried to have that subcommittee comprised of the three nuclear powers plus some of the others, but they would not agree. There are only three nations on that subcommittee.

Then there is a committee of the whole on collateral measures. This was a Canadian idea. We thought there were some issues which did not come directly within the terms of the disarmament treaty which could be dealt with collaterally and dealt with quickly, that if agreement could be reached on some of these collateral measures, it might help open the door for agreement of a more extensive kind. The first collateral measure considered was war propaganda, a declaration against any of the countries using war propaganda. Agreement was reached on that in the committee of the whole. The Russians agreed to that. They had much to say about changing the words, putting in "these" and "its" and so on, but agreement was finally reached.

Just the day before the agreement was to be approved in plenary session, word came from Moscow that there had to be four or five additional conditions attached to it, all of which were obviously cold war conditions and which made agreement impossible. It was a very good example of Moscow pulling the rug out from underneath their own negotiator. The person involved here was Mr. Zorin, who had the rug pulled out from under him just a few weeks ago in New York.

In so far as this question of collateral measures is concerned, there are three which are in line for consideration. One is a measure to prohibit the launching of weapons of mass destruction from outer space. This was a Canadian idea. Last March, nearly a year ago, when this collateral measures committee was first set up, we walked in with a declaration to the effect that weapons of mass destruction were not to be used in outer space, that they could not be launched from outer space. Well, that threw everybody into a tizzy. I mean there was a good deal of discussion, and it was not accepted with any degree of enthusiasm by some of the bigger countries. The Russians finally said "We do not want to talk about that; we will leave that for negotiation in connection with the treaty." In any event, this is one question we hope will be considered by this collateral measures committee.

Another suggestion was a measure to reduce the risk of war by accident, miscalculation or failure of communication. Proposals have been made to reduce the risk of accidental war through improved communication between governments, advance notification of military manoeuvres, the establishment of observation posts and the exchange of military missions between east and west.

Another subject which is to be considered in that committee is measures to prevent the wider dissemination of nuclear weapons. In the main negotiations on a disarmament treaty the Americans have put in a draft treaty and so have the Russians, and a lot of time has been spent trying to piece them together. Canada has aimed at picking out points where there was almost agreement and in stressing those points, trying to bring about agreement on those things in the belief that once the two sides agreed on a paragraph of that kind, it would be easier to go on and agree on something a little more difficult.

We went back to the general assembly last fall, and one thing that everyone was agreed on in New York was that the disarmament committee should carry on its work negotiating a treaty. There was no difference of opinion about that.

There was trouble about nuclear test banning. The Soviet side wanted one resolution; the Americans wanted another resolution. In fact there was a lot of difficulty in working out a resolution dealing with the question of a nuclear test ban. Canada moved in on that, and in my judgment this was our main accomplishment in the last session. We were able to bring about agreement on a resolution on the question of negotiating for a nuclear test ban. We based our offensive on the letters which had been exchanged between President Kennedy and Premier Khrushchev at the time of the Cuban crisis. They each wrote saying "We must now get together and settle the rest of the problems. Why could we not do this about a test ban?" We picked that up, and with the impetus of those letters behind us we were able to help bring about a resolution which became known as the Canadian resolution, although we had only submitted amendments, and this resolution was endorsed by everybody except the communists, who abstained.

The disarmament committee resumed on November 26 and worked until December 20, when it adjourned until January 15 and, as I explained a few minutes earlier, that date has been put back until February 12. In the meantime developments have taken place which may be, and I hope will be, of great

significance. There has been this exchange of letters between President Kennedy and Premier Khrushchev which were printed as an appendix to *Hansard* some two days ago, and the Americans, the Russians and the British are now meeting in Washington trying to bring about an agreement on the terms of a test ban. They have made considerable progress. The main difference between them at the moment is as to the number of automatic seismic stations which there will be in Russia and on the number of times an international team can be sent in to inspect those stations. The Russians have agreed to three inspections annually, although until a few days ago they were saying they would not agree to any inspections of any kind; the Americans have asked for eight to ten inspections.

It is of the utmost importance that agreement be reached on this question. If they could reach agreement on a test ban then it would stop radiation, and would lead to the possibility of making settlements on other disarmament problems. In any event, Canada will continue her efforts to bring about a reasonable settlement, and I think today Canada is generally recognized as the leader in the field of working out some disarmament agreement between the east and the west.

Some hon. Members: Hear, hear.

Mr. Green: So much for Canada's activities in the field of disarmament. Then there is a related activity, and that is the field of peace keeping. Mind you, Mr. Speaker, if we are able to bring about a measure of disarmament there will be more and more peace keeping work to be done. The two go together, and in my judgment peace keeping in the world under U.N. auspices is going to become steadily more important. Canada is ideally situated for this role and, with India, Canada is today the most experienced nation in the world in the peace keeping field.

Take, for example, the Congo. We have been in the Congo from the start. The house authorized the sending of up to 500 personnel, and Canada has been running the communications system for the United Nations in the Congo, taking a very active part in the air services, and also in the staff work for the whole United Nations force. A lot of this work is done by bilingual Canadians, French speaking Canadians, and all over the world there is a job now to be done by Canadians who are French speaking. In the Congo they are the leaders in Canadian activities.

Canada is also represented on the secretary general's Congo advisory committee at the United Nations. There are only three western countries on it, Sweden, Ireland and Canada, with 17 African and Asian countries. We are able to consult with the secretary general on Congo questions at any time, and are able to advise him and the other members of that committee. I think those members of the house who have been at the United Nations will agree that Canada's actions in connection with the Congo have been of great benefit. We have tried to keep tempers cool. We have tried to urge moderation, and I think we have been able to do quite a lot in that regard.

Our policy in regard to the Congo has been throughout, and is today, to support the United Nations. Some of the western countries have not taken that stand. The French have been against the Congo operation and pay nothing toward its expenses. The British have been very worried about it and have not been as energetic in support of the United Nations as Canada has been. But I repeat that our policy is to support the United Nations in the Congo.

We have also taken action to help in the financing of the Congo operation. Providing the money has been a tremendous problem. It is costing about $10 million a month for that operation, and the United Nations has almost gone bankrupt paying for it. In passing I may say I thought the *Globe and Mail* of January 23, 1963 summed up our accomplishments in the Congo very well when it said in an editorial headed "The U.N. and International Co-operation":

> Many nations took a constructive part, and will continue to do so, in the Congo operation, but perhaps special mention should be given to India, Nigeria, Malaya, Ethiopia, Ireland, Sweden, Tunisia —and Canada.

Mr. Chairman, I do not want to get a reputation for croaking or whispering.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): But the minister's voice should be better now.

Mr. Green: I think perhaps I had better stop, Mr. Chairman, and I shall finish later on.

Mr. Martin (Essex East): Mr. Chairman, I am sure that I express the view of all hon. members of this house in saying that this failure in the minister's electric power system is regrettable. We will agree that he should have an opportunity later to complete his statement. The minister should not conclude from the loud applause he has just received that the measure of that applause indicates the complete wisdom of his statement. I think the length of the applause was intended in part to afford the minister an opportunity to recover his lost voice.

It is to be recalled that this debate began as the result of a question put to the Prime Minister by the Leader of the Opposition on Monday last. The Leader of the Opposition had asked if an opportunity would be given at an early date to discuss matters involving the defence policy of Canada—

Mr. Fleming (Eglinton): No; the Prime Minister offered it.

Mr. Martin (Essex East): —and the Prime Minister replied that that opportunity would be given when the estimates of the Department of External Affairs were presented on Thursday and Friday of this week.

Mr. Fleming (Eglinton): You were not here, and you have not read *Hansard*. You are all wrong.

Mr. Martin (Essex East): It is, I am sure, accepted by all of us that there is a need not only for the discussion of problems involving national defence, but also foreign policy. However, it is significant that while the minister was speaking neither the Minister of National Defence, who has just come in—

Mr. Fleming (Eglinton): No; he was here before.

Mr. Martin (Essex East): —nor the Associate Minister of National Defence was present.

Mr. Harkness: Mr. Chairman, on a question of privilege, I was here until half past three, for the first half hour the minister spoke. At that time—as he would tell you if his voice were good enough at the moment—I went to meet the ambassador for Korea on an appointment that had been made some considerable time ago. Hon. members will perhaps recall that the ambassador for Korea saw the Governor General yesterday and presented his credentials. I have just come down from seeing the ambassador for Korea, and that is the reason I was absent for some 20 minutes.

Mr. Martin (Essex East): Mr. Chairman, one would have thought that a matter of this importance, in this new era which the minister has mentioned, would be one in which the defence policy would run consistently with foreign policy. It is inconceivable that our foreign policy would be determined by the character and nature of defence policy. Clearly foreign policy must determine not only defence but international commercial policy. At a time when defence does play such an important part in our national considerations I offer no excuse for the statement I make, which involves a sincere and strong belief on my part that there must be the closest consistency between the formulation and declaration of foreign policy and the implementation of defence policy.

Mr. Chairman, in his statement the minister gave us, as is his practice—and about this I make no complaint—a tour d'horizon of the situation in the world as he sees it since he last spoke to us. It will be recalled that that was some time ago. This is the first time since this parliament was convened that we have had any statement from the Secretary of State for External Affairs which could be characterized as a general survey of Canada's foreign policy.

In his statement today the minister reviewed some of the important events of the past year. He reviewed the settlement in Algeria. He mentioned the Chinese aggression against India; and I may say, by way of parenthesis, that what he said in this connection will be widely supported in this house and in this country. Our sympathies are with this commonwealth country, India, with whom we have had, and I am sure will continue to have, the closest and understandable ties. All the assistance that we can give to India, together with other countries such as the United Kingdom and the United States, will be given. Any policy in this regard put forward by the government of Canada will receive the widest measure of support in this house.

The minister said we were entering a new era. I hope he will not misunderstand me if I say that if this is the case, there has been nothing in his statement thus far which indicates any orientation in the foreign policy of our country that seemingly takes into account the opening of this new era. What the minister said was important. His report about disarmament, the nuclear test talks, the resurgence of the strength of the United Nations, these are important events; but they do not represent in themselves any developments which could be regarded as outside the character and the context of the kind of problems of the so-called other era which we have dealt with from time to time in this house. It is true that developments in the world today do cause great concern. There have been some developments which warrant a conviction that in the year 1962 some progress was made in international affairs on a world scale. We have seen, as the minister pointed out, increasing evidence of a fragmentation in the communist bloc, with a seemingly ever widening gulf between Moscow and Peking. Of course, we must make sure that this widening gulf does not

cause us to be overly optimistic or ill prepared for contrary eventualities which might well ensue in the relation between these two important powers.

We have been through the crisis over Cuba, serving clearly to emphasize how completely interdependent the free world has become and how much we rely on the concept of the deterrent possessed by the United States. We came through the Cuban crisis, Mr. Chairman, as a result of this deterrent and the strong, forceful and courageous diplomacy of the President of the United States.

This matter is one of such importance that we have the duty to ask ourselves what is the position which our country took in respect of a matter that not only involved the peace of the world but the preservation of the North American communities, including Canada. While there was displayed by the chief executive in the United States the kind of firmness which in the situation was necessary, I do not believe the same can be said for the government of Canada in that same situation. The government properly has insisted upon fullness of consultation between the various members of the western alliance. This is an insistence which all of us in this house will support. No nation can remain free and no alliance of free nations can remain a free alliance if this principle is not in all practical and possible situations observed.

I suggest that the record of the week of the Cuban crisis will demonstrate that there was justification for concern on the part of the people of Canada over the direction given to this country by the government in that critical situation. I well remember questions being put to the ministry by members of the opposition groups with regard to the Cuban crisis. The Prime Minister cautioned us as to the desirability of there being a minimum of interrogation and that there be no question put which did not bear the stamp of full responsibility. With that characterization I do not quarrel. But I remember that that same evening the foreign minister of this country went on the television and was interrogated by newspapermen, who put questions to him not unlike some of the questions which had been put by hon. members of this house to members of the government. I must say to my hon. friend the Secretary of State for External Affairs that the positions which he took that night over the television—not in this house—were such as to contribute considerably to the lack of confidence which the people of Canada had at that time in the conduct of the foreign policy of the government.

Mr. Chairman, it seems to me the Cuban crisis highlighted once again the need for Canada to take part in the organization of American states. This was emphasized well over a year and a half ago by the visit of the secretary of state for external affairs to several Latin American countries and by the visit of the Prime Minister to Mexico. Since that time, during which there was a further suggestion made in this very chamber by the President of the United States, we have had from the government no indication as to what is the policy of the government or its view in that regard. This matter is not unrelated to the Cuban crisis. It will be recalled that it was a salutary experience to have ministers of the council of the organization of American states meeting on the eve of the greatest crisis since the second world war to discuss the possibility, indeed that evening the likelihood, of nuclear weapons being fired upon North America, and Canada not even being present at the meeting. Of course, Canada had no right to go there as a member, but I well recall the suggestion made by the Leader of the Opposition, that perhaps some way could be found by which Canada as an interested party—and this cannot be denied—might have had an opportunity of sitting at the table. In the light of events currently in Cuba, in the light of events in other Latin America countries, involving as they do fundamental economic readjustments which will have their implications in the relations which will prevail between that particular area and the rest of the world, it seems to me that the time was never more urgent for us to accept the long-standing invitation of every member of the organization of American states and to join this organization.

Mr. Chairman, these are vital matters, and as the minister said events which are now unfolding indicate that we have to be ever vigilant if we want to make sure that we are not the object of destruction. It is an elementary principle in government that the government of the day should regard as its first obligation, the taking of every possible step to make sure that it has so arranged its procedures in national life to guarantee the preservation and the integrity of the nation. This is the standard by which we will judge, and by which in duty we must judge, the conduct of this government in the days that lie ahead and in respect of the events of the immediate past.

I agree with the Secretary of State for External Affairs that the Cuban crisis has shown that the United Nations has not lost its force and its value. Indeed, the Cuban crisis demonstrated the importance of the United Nations. However, we should remember that it is illusory to think that the United Nations can impose solutions upon great powers like the United States or the Soviet union. But the United Nations can by its good

offices, as was demonstrated in the case of Cuba, provide the channel for a change of policy by a great power. It is not without significance that the United States, after what were thought to be necessary precautions were taken, did go to the United Nations. But what the United Nations can do is to supervise and inspect a solution, and that it has done in Cuba and in other situations.

Speaking about the United Nations, I am sure that my hon. friend will agree that 12 months ago it looked as though the cold war might destroy or seriously impair the usefulness of this collective security organization. We know that the death of the former secretary general was used by the Soviet union to press for a troika secretary generalship which would have reduced the United Nations to impotence. At the end of last year the unanimous decision to establish in that important office U Thant gave the United Nations a new hope and a new opportunity; and it is not without significance, as the Leader of the Opposition has pointed out elsewhere, that the three executive chairs at the United Nations general assembly are now filled by gentlemen who come from Asia.

I note with satisfaction, as has the minister himself, that the near settlement—what we hope will be the final settlement—of the Congo problem represents a major achievement of the United Nations, and particularly in the final days, to the determination and persistence of the United States.

Mr. Chairman, the minister referred in his speech to the important developments now taking place in Europe in regard to Britain's application for participation in the European common market. Recent weeks have shown a deterioration, however, in our hopes for Britain's taking this historic step into Europe. Indeed, recent days have had an air of unreality, with France and Germany signing a treaty of friendship. This action in itself could, of course, be a significant development provided it remains outward looking. The vision of a united Europe including the United Kingdom which has been presented by great statesmen in this century and which goes back to at least the days following the first world war, cannot lightly be set aside. One must stress the need for wider perspectives in pursuing this vision rather than short run pessimism because of difficulties in the Brussels negotiations.

Speaking as an individual I will say this. I regret that General de Gaulle and the government of France have felt it necessary to take the position they have with regard to participation by the United Kingdom, a position different from that of the other five member states of the European community.

From what the minister said I do not feel that there is on the part of the government a proper appreciation of the consequences of the failure of Britain to be in Europe what she has so much wanted to be in these last few months. Her failure to participate in the European common market will not mean the end of Britain or the end of Europe, but in my judgment it will certainly mark a very significant retreat in the opportunity of furthering peace in the world and unity among the western nations of the world. I greatly doubt whether the alternative which seems to be in the mind of the hon. gentleman is one that will have the significance underlined in the terms in which Mr. Churchill spoke when he advocated a united Europe. As to the conference which Canada and the United States have helped to co-sponsor, I think he exaggerated the contribution made by this government. It should not be forgotten that well over a year before the invitation was extended and long before the prime ministers' conference in London last September, preparatory meetings for this conference had taken place elsewhere.

Mr. Diefenbaker: That is not so.

Mr. Martin (Essex East): The Prime Minister says that is not so. He will have an opportunity of showing why it is not so. However, I say that if he will look at the facts and will get properly briefed, he will see that what I have said represents the situation.

Mr. Diefenbaker: Not at all.

Mr. Martin (Essex East): The Secretary of State for External Affairs, after talking about this world economic conference, spoke of the desirability of the United States not getting tough with its allies. Of course, as I said a moment ago, we all recognize the fact that if the western alliance is to remain strong it must be, in fact and in truth, a real alliance of free nations. Each nation must be given the opportunity to express its views and make its influence felt.

I am going to say this to the minister and in doing so I have no pointed reference to any particular individual when I make the observation. I suspect that one of the tests, in diplomatic effort, of a nation's capacity to have a sphere of influence and to be persuasive, is so to comport oneself and so to formulate and execute the foreign policy of one's country so as to invite the kind of confidence among one's colleague states which will guarantee the preservation of that kind of freedom and of that kind of desired influence. I believe that in this context a disservice will be done and has been done

to the nation by the use of foreign policy as a means of furthering political ends in this or any other country.

In this context I might as well come to a subject that was referred to by the minister when he spoke of the attempts made by this government to bring home to the nations of the world the dangers of Soviet imperialism. No one denies that the subjugation of the free peoples of the world by the Soviet union is abhorrent to us all. No free man or woman in any part of the world can justify the subjugation by the Soviet union of the people of Poland, of the Ukraine, of Czechoslovakia, of Hungary and of other nations. All of us are agreed on this. However, the Prime Minister has sought—and I must say that the Secretary of State for External Affairs today seemed to do the same thing—to give the impression that not until this government came into office had any real advocacy by the government of Canada been made on behalf of these people, or not until the right hon. gentleman and his colleagues came into office. This is not the case. The present Leader of the Opposition, as secretary of state for external affairs in Canada, as leader of this party, as president of the United Nations general assembly and as chairman of the political committee in the United Nations, on many occasions spoke of the dangers of Soviet imperialism. I do not need to put on the record all the things he has said. His observations are to be found in the reports of the United Nations deliberations. They are to be found in the report of the deliberations of this house. However, I single out one because I well remember its being uttered in the United Nations general assembly when the Leader of the Opposition addressed himself to the then Soviet delegate, namely Andrei Vyshinsky. These are the words of the member for Algoma East speaking as secretary of state for external affairs on September 26, 1949, in the general assembly:

> Imperialism of the old kind is a rapidly diminishing force—a dying doctrine. The real danger today lies in the new imperialism of the post-war period. During that period only one state in the world has extended its borders and the area of its domination. That state has annexed 179,000 square miles of territory and included within its borders in the last ten years more than twenty-one million people. Backed by its armies, it has imposed satellite regimes on neighbouring states. It has used its great material power and resources to rivet its economic control over the peoples under its influence. Its leaders have talked freely of "liberation" and of "national sovereignty", but its agents abroad have never hesitated to proclaim their obedience to its control and their determination to serve its interests above the interests of their own governments and their own peoples.
>
> How can there be a feeling of peace and security—

Said the Leader of the Opposition of today.

> —where an alien power insists on imposing its domination over other nations and peoples? We of the free democracies—

And when he said this, I am sure he spoke for everyone in this house, for everyone in this country and for all free peoples all over the world.

> —reject this new imperialism which uses the subversive forces of international communism to destroy the national independence of even communist states which will not accept its interference and its dictates.

We also find at pages 1628 and following in *Hansard,* volume 2 for the last session, 1962, other statements placed on the records of this house, declarations made by former prime ministers who preceded this present government, and by the present Leader of the Opposition in several capacities, as secretary of state for external affairs and president of the United Nations general assembly. I am not saying that what the hon. gentleman said would not be supported by the Prime Minister or by others in this house. Indeed, I know that all hon. gentlemen in this house would support a statement such as the one I have quoted. But the significance of this turn in the debate is that the Prime Minister in particular has sought to convey the impression, as I sought to emphasize a few moments ago, that he alone and this government alone are to be regarded among the Canadian people as the political power in this country that has spoken up on behalf of the people in Europe who have been denied their freedom, because of Soviet union domination. Such is not the case.

I support the statement made by the right hon. gentleman in the general assembly of the United Nations in September of 1957. He made a speech there that won acclaim in the United Nations and in Canada. It was a statement that expressed in proper terms the views of the government of Canada and its people with regard to the denial of freedom by the Soviet union to millions of people in enslaved Europe. That was a speech of the highest order delivered by the Prime Minister. I took occasion in this house shortly thereafter to commend him for it. But what the Prime Minister said on that occasion, it should in fairness be noted, had been said on many occasions by Mr. St. Laurent and by the present Leader of the Opposition (Mr. Pearson).

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

Some hon. Members: Go ahead.

The Deputy Chairman: Does the committee give unanimous consent to permitting the hon. member to continue?

Some hon. Members: Agreed.

Mr. Martin (Essex East): I thank the house for this concession. But this is not the end of the story. In the fall of 1961 the Prime Minister made a speech before a large gathering of Canadians with European origins. He spoke then as he had spoken in the general assembly of the United Nations in September of 1957. He spoke of the subjugation and enslavement of the peoples of certain European countries. The people who heard him applauded, quite properly, because he indicated further the concern of the government and the people of Canada. This was early in the month of November, I think. At any rate, it was while the general assembly of 1961 was in session. The Prime Minister said that as an earnest of what he was telling them the government was going to introduce in the United Nations general assembly in 1962 a resolution, calling upon the United Nations to condemn the Soviet union for acts of enslavement of human beings in many countries.

Mr. Diefenbaker: With the support of like-minded nations in the United Nations.

Mr. Martin (Essex East): Well, obviously you cannot pass a resolution unless you have the support of a sufficient number of nations. But I am suggesting to the Prime Minister that if he will look at the texts, and I have them all here—

Mr. Diefenbaker: That is fine.

Mr. Martin (Essex East): —he will find that when he made that speech he did not say anything at that time about the support of other nations.

Mr. Diefenbaker: Just read it.

Mr. Martin (Essex East): The Prime Minister can do so when he speaks.

Mr. Diefenbaker: I am just giving the hon. gentleman the facts.

Mr. Martin (Essex East): What I have said will be supported by the newspapers, and in this instance I want the Prime Minister to know that I propose to make my own speech. Two days after the Prime Minister spoke I had occasion to speak at a gathering where I commended the Prime Minister for the course he had taken. But I urged him, if he thought it was desirable in order to achieve results, of the necessity of making friends in the United Nations, of providing a really effective solution, if these were the conditions and that was his wish, not to wait until the general assembly of 1962. As head of the government and in concert with his colleagues, why not give instructions at once to the Canadian delegation at the general assembly to bring in a resolution in 1961? That could have been done but it was not done.

Then we had the general election. I well remember the speech made by the Prime Minister in Neepawa, I think it was. It was a speech which he later corrected, particularly as to words attributed to him and as applied to the Leader of the Opposition. But the Winnipeg *Free Press* of May 11, and this is supported by the Toronto *Telegram* of the same date, reported him as follows:

> Mr. Diefenbaker promised that next fall he would present a resolution to the United Nations asking the Soviet union to give freedom to the "captive peoples".

Certainly there is no reference there to having the support of a sufficient number of nations in the United Nations.

Mr. Diefenbaker: It was used all the time.

Mr. Martin (Essex East): The Toronto *Telegram* of May 23 reported the Prime Minister as saying:

> The Prime Minister also announced that Canada plans to enlist the support of other nations in introducing a resolution at the next United Nations general assembly calling for self-determination for the captive people in iron curtain countries.

And so on. This was repeated in several places throughout the campaign for one obvious purpose. I charge the Prime Minister that it was done for the obvious purpose of seeking to influence certain people to support the government in respect of a matter on which the Prime Minister knew perfectly well there was no division whatsoever as between political parties in this country.

The general assembly of 1962 has terminated its sessions, but there was no resolution put forward by the Canadian government or by the Prime Minister. He said at one point he was going to go there himself. In the Montreal *Gazette* of August 23, 1962 he is reported as follows:

> Prime Minister Diefenbaker indicated yesterday he may go to the United Nations general assembly session in New York late next month to sponsor a resolution calling for free elections in Soviet satellite countries.

Then there is this very interesting addendum:

> He told reporters he would consider doing so if Premier Khrushchev attends the general assembly meeting, but at the moment reports of the Russian leader's plans are contradictory.

I simply want to say to the Prime Minister that while he holds a very important office I doubt very much that the decision of Mr. Khrushchev to go to the United Nations

depended upon the convenience of the present Prime Minister of Canada. In any event, there was no resolution presented. The parliamentary secretary to the Secretary of State for External Affairs made a speech. It was a good speech. I would expect him to make a good speech. But what he said in substance, I am sure he will agree, was the same in principle as was stated by the Prime Minister in the general assembly in 1957 and by the Leader of the Opposition and by Mr. St. Laurent and others at the United Nations over the years.

I say to the Prime Minister that there is a lot of talk these days about the commitments of a nation to other governments. This was a particular commitment by the Prime Minister to the people of Canada and it was not discharged.

Mr. Diefenbaker: It was always subject to getting the necessary support of other like-minded nations.

Mr. Martin (Essex East): The Secretary of State for External Affairs spoke again today of disarmament. I must say the minister did not have the same confidence in the outcome of nuclear test ban and disarmament discussions which has characterized the other speeches he has made on these subjects in this house, since he became Secretary of State for External Affairs. The minister, I am sure, now recognizes that the solution of the problem of disarmament is not as easy as he thought in the early period of his ministry. We all support disarmament. We must continue to negotiate with the Soviet union and, ultimately with communist China, and with all countries, in an effort to have a system of disarmament that will minimize the possibilities of war by miscalculation.

Let there be no mistake about our support for this objective, all of us in this house and all of us in this country. This we can do, however, in this difficult nuclear age, only provided there is an agreement accompanied by the assurance of fulfilment of that agreement with regard to the measures of control which must be mutually agreed upon, not only control measures and inspection, but agreement as to what the objectives of control are.

Now, the minister seems to think that there is some ground for hope as a result of a recent exchange of letters between the Soviet union and the United States concerning on-site inspections. He looks upon this as an encouraging reason for believing that there may be some progress in this area. Let us hope that there is. I can only remind the hon. gentleman that Mr. Arthur Dean, for whom I know the minister has the highest regard and to whom he paid a tribute the other day, shortly before retiring as United States spokesman in the nuclear test discussions, did not express the view which the minister has expressed here. He did express the view, however, with regard to disarmament, that while every effort must be made to bring about some agreement in this vital field, it was not doing any service to mankind to overstate the possibilities or to be guilty of exaggerated optimism.

I have read with very considerable interest, as perhaps the minister has, a book that has just been published by Mr. James Wadsworth who, under three presidents, represented the United States in the disarmament discussions. Here is what he said, among other things:

> There is a very real question whether genuine disarmament is possible at all in the continued presence of critical political situations like Berlin. Many experts believe, and I concur, that a significant and durable relaxation of the cold war is a prime prerequisite to any relaxation of the arms race.

I think it is not a mature position to take to say that we are going to achieve disarmament in the light of the existence of the very serious differences that yet prevail between the disputants in matters of major political importance. We all hope it will be otherwise. I would not want the leader of the N.D.P. party to conclude, as the hon. member for Kootenay West has on other occasions with regard to this kind of observation, that there was not on my part the fullest appreciation of the desirability of making progress in disarmament. Of course, we must all work towards this objective. My point is that we will not reach that objective if we continue to overlook the realities involved in the present international situation.

The minister mentioned, as an indication of the recognition of the worth of Canada in these consultations, the fact that we had been selected as one of the members of the 10-power disarmament committee. We were selected by the four foreign ministers who met to set up this body. Well, I am sure that we are all proud of the fact that the contribution of Canada has been such that it has warranted the selection of this country to serve in the current disarmament discussions. However, I would remind the minister that in 1954 Canada was a member of the subcommittee on disarmament, the five members of which were the United States, France, Great Britain, the Soviet union and Canada. Canada was selected by the United Nations generally to represent all the other nations. I think that marks us as having warranted at that time the very tribute which the minister wants to take, and I think properly so, for his government and for Canada. We were on that subcommittee. It was Canada that was selected to carry on negotiations on behalf of the other four with the Soviet union concerning the conditions that must prevail if

there was to be a resumption of disarmament discussions. Let it not be suggested, therefore, as the minister sought to imply today, that only this government is interested in disarmament. No one worked harder for disarmament under equally difficult circumstances than did the Leader of the Opposition, just as I frankly acknowledge the minister, himself, has worked diligently and hard towards this objective during his term of office. I simply say to the minister, it is one thing to work hard but it is another thing to work wisely in this field. I do not think it is possible to work wisely unless we take into account the existence of the fundamental differences in ideology that prevail between the Soviet union and the free world, the existence of major political problems that divide east and west.

We will reach, I hope, a stage where we can have at least partial agreement on disarmament under conditions that will not violate our security. But it is not mature, it seems to me at this time, to overstate the possibility or the extent of progress made thus far.

Now, Mr. Chairman, one striking fact it seems to me in international affairs today is the interrelatedness of a nation's defence policy, its foreign economic policy and its over-all policy. These three areas which in the past we have tended to look upon separately, now must be considered all together. Indeed, the continuous nature of this interrelatedness has major implications, as I see it, for our own foreign policy, particularly in the area of planning and co-ordinating of our own efforts and our own policies. Perhaps we should be considering some alterations. Do we have over-all planning and co-ordination of effort in the government at the present time which gives its total attention to a particular problem in external relations and is continually casting its eye up and down the radar screen looking for problems in areas where Canada can exert an influence?

The diplomatic influence and effectiveness of a nation is a total process, a composite whole, in which our political conduct, the state of our alliances, the amount of foreign assistance which we give, our military power, our domestic economic situation, operate all together. It is a truism that Canadian diplomatic influence and effectiveness must be less than what it could be when our own internal economic affairs are in a state of confusion and when our nation appears to be doubly confused and without a vigorous national purpose.

Many commentators in recent years have noted that Canada seems to have less effect in international affairs than formerly. They say we do not possess the power and influence we once did. The minister knows who say this. I am not saying it, but I can refer, as the minister knows, to those objective assessments which have been made of the government's foreign policy, to the way they have executed it; I cannot absolve the government from blame in this matter. Indeed, as has been so often commented on, our diplomacy has been a great deal less than satisfactory in a number of areas, and there are other reasons as well for our present situation.

The fact is that in today's world the pace of change has become so rapid as to destroy utterly the process of gradualism which we had once come to know. Revolutionary change has become a part of our lives, and yet we have not adjusted our thinking to the implications of the scientific and technological revolution of our times.

We need to be constantly re-examining our foreign policy objectives, constantly querying the means by which these objectives are carried out. The minister today said we have begun a new era. Well, if we are in a new era surely we are entitled to have, particularly at a time when we are discussing national defence, a statement on it as well as on our foreign policy objectives, how we pursue them and how they are related to defence and international commercial policies. This is necessary if we are to have a mature consideration of our foreign policy.

Now, Mr. Chairman, before I resume my seat I say to the minister, as I have often said to him on other occasions in these debates, we endeavour in this country, and I think properly so, to minimize the occasion when we have to differ with the government on foreign policy. We basically support the same principles, although because of what the minister said today it seems to me that in this new era there is a need for a re-enunciation of those principles and new adaptations, if we are to satisfy fully the obligations of this debate.

The government, this party and other parties in the house are not basically divided on the broad lines of foreign policy. Therefore, in the consideration of these matters, let us not be afraid to express our differences. Let us not be afraid to point out where there are weaknesses. Let us not exaggerate our achievements whether in terms of collective effort or in terms of national achievement, but let us bear in mind that in this difficult period there must be stated goals of foreign policy carefully adhered to, respected by all branches of the government, the defence department as well as the Department of External Affairs.

Differences between ministers or differences of policy with regard to ministers in these

departments are not conducive to the development of a strong and respected position for this country in the United Nations or elsewhere in the world. So I say to the minister we must pay more attention to our long run objectives and to policies and ways by which we can continue to play an effective role in foreign policy. The minister has that opportunity and I submit to him with the greatest respect that that obligation was not discharged by him today.

Mr. Thompson: Mr. Chairman, we have listened to a partial statement by the Secretary of State for External Affairs and we have listened to today's spokesman for the Liberal party on the same subject. I am more than ever convinced that it is time we came to grips with all of the basic issues concerning external affairs and defence. We have avoided decisions long enough. Canadians want to be informed. They want action, not talk.

I shall not take time this afternoon to review world developments. That has already been done. Rather I shall endeavour to get down to what I regard as some of the major issues that are before us. During the past few weeks the question of Canada's military policy, and this is very definitely related to the over-all picture of external affairs, has come prominently before the public, and Canadians have become properly concerned about the attitudes of their politicians and alarmed at the general situation relating to Canada's role in the international scene.

The politicians of our old line parties have much to answer for to the electorate of Canada. Surely, however, nothing condemns the weakness of both the government and the Liberal party in the face of urgent threatening problems so much as the total failure of both to state clearly their policies on nuclear weapons for a period of something like three years, except perhaps to accuse each other of what the other has not done or, if done, has done wrong? It is no wonder the Canadian people have become confused. It is no wonder, because there has been no clear light for them to follow.

Canada's weapons policy at the present time is a matter of urgent public importance. Perhaps we only now realize how serious was the Cuban crisis last October and how totally unprepared we were to take effective action. If this crisis has driven politicians in all parties to come to some decision on this important question then perhaps indeed it has done some good. Events do not wait on us forever, and through lack of decision our freedom can easily be lost. If we look back it is not difficult to see that the government has in fact committed us to a policy whereby, if we had no nuclear arms, we had no effective weapons for defence at all.

The CF-104 and the Voodoo aircraft, the Honest John rocket launcher and the Bomarc missile were all designed for maximum effect with nuclear warheads. Their empty mouths mock us if we do not arm them as they were intended to be armed; yet now we learn the Bomarc is no longer to be used by the United States. In fact it has rapidly become obsolete altogether. The government of Canada has at no time admitted it had a nuclear policy. Rather we have had the pathetic spectacle of our minister of external affairs respected as the apostle of disarmament and negotiated peace at the United Nations while, at the same time, the Minister of National Defence travels about the country and the world telling us we need nuclear weapons, and all the while the Prime Minister of this country sits in between remaining evasive and uncommitted. It is no wonder the Canadian people are confused.

On the other hand the leader of the Liberal party can hardly be proud that it took him three years of shilly-shallying to come down at last to a recognizable position on nuclear policy. He is a winner of the Nobel peace prize, a man known to be one of the best versed Canadians in the field of foreign affairs, a man who should know, if anyone knows in this country, the ins and outs of NATO policies and our commitments and our responsibilities to our allies. He is the man who hopes one day to become prime minister of this country.

How long has this man been evading his responsibility of bringing to the people of Canada a clear statement of policy regarding the question of nuclear armament? I ask him to state just what are our commitments to NATO and to NORAD. I would like to know. Or does he know? I think it was Mark Twain who once said that it is always good to know the facts before you twist them. Did the Cuban crisis and the developing political situation force him to announce a decision? Perhaps it was on the advice of the former commander of NATO, General Norstad. Or was it another instance of political expediency? Why have not the Liberals advocated before today Canada joining the organization of American states?

An hon. Member: They have.

Mr. Thompson: Why did they not do so when they were in government because, as the previous speaker has stated, the invitation to join the organization of American states has been there for many, many years. This is why I believe that today Canada needs leadership, a statement of what is its policy and what are the facts as they relate

not only to our commitments but to our responsibility, to our people, to our nation and to our friends and allies.

We are at war with communism. The war is not a "hot" war at the present time. Pray God that it never will become that. It is a war, none the less. It is the expressed determination of the leaders of communist nations to force their will and their way of life on the free nations of the world. It was Khrushchev himself who said, "We will bury you"—and he means just that. He now thinks it can be done without the use of nuclear conflict, but the Chinese communists have other ideas. They mutually agree, though, on the subversion of our institutions and our government by infiltration, by economic techniques—yes, and by destroying our will to resist. This is the greatest danger that threatens us in this war, because brainwashing as far as the communists are concerned is nothing more or less than a method of destroying the will to resist. Certainly we can hardly expect to peacefully co-exist with men who deny and reject the moral laws which we accept and by which we live. The leaders of communism make no attempt to conceal this fact. The problem is simply that we refuse to hear, or if we hear, we refuse to understand.

In the face of reality I suggest that there are three alternatives before us. One is that we become neutral; second, that we join the forces of the east in this ideological struggle; third, that we join the forces of the west. Now just let us look at this simply. Neutrality does not pay. In fact, there is no dogma, there is no intolerance so intolerant as neutralism. Certainly Canada has no part, nor do Canadians have any part, in neutrality. It took a long time for Mr. Nehru to wake up to this fact, but he now has. It is impossible for us to join the opposite side in this cold war. If we stop for a moment and recognize the heritage that is ours in this free land of ours, certainly these are the things that we ought to hold most dear, and there can be no place for us whatever on the other side. Therefore we are put without equivocation on the side of the free world, and as one of the larger of the small nations we must stand with our friends; we must stand on those principles which we know are true and then, when all has been done, stand again. This is our responsibility and it is only in the light of this that we can actually face up to the problems that we have.

Mr. Krushchev in speaking to the world has made it very clear that he is against nuclear wars. His reason for saying this is simply that he knows that in a nuclear war no one could emerge a victor and that both sides would be destroyed. Instead he favours war of his own design that will speed the day of the communist take-over. He promises to support the inevitable revolutionary wars such as we now have in Laos. He calls these wars "people's wars", wars of liberation; he calls them sacred wars. He has not changed his opinion on that. They are inspired and led by the communists themselves. He intends to abolish the occupation regime in Berlin, as the dividing wall has already told us. The new front of active struggle centering in Cuba is regarded as something which all communists regard as a duty to support. Let us not think that just because a few missiles have been taken away from Cuba the danger in Cuba has disappeared. All one has to do is read the newspapers of today or yesterday to understand that. Nevertheless, where the transition to communism can be accomplished by peaceful means, no war is desired. Otherwise communists must encourage armed uprising and civil war. They believe capitalism is doomed and is declining in power and prestige. That communism is the invincible force of our age is their basic conviction. Mr. Chairman, may I call it five o'clock?

The Deputy Chairman: Order. It being five o'clock, it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Progress reported.

ATLANTIC DEVELOPMENT BOARD

ANNOUNCEMENT OF APPOINTMENTS

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I realize that this is private members' hour but I wonder whether the house would agree to revert to motions in order to permit me to make an announcement regarding the Atlantic development board. It will only take a very short time.

Mr. Speaker: The Prime Minister seeks the unanimous consent of the house to revert to motions. Is that agreed?

Some hon. Members: Agreed.

Mr. Diefenbaker: I thank the house. I wish to announce the appointment of the chairman and members of the Atlantic development board. Hon. members know that this board is being established under an act passed earlier in the session and will have the responsibility of investigating and reporting upon measures and projects for fostering the economic growth and development of the Atlantic region.

The chairman of the board will be Brigadier J. Michael S. Wardell of Fredericton, New Brunswick, the publisher of the daily *Gleaner* and also that well known monthly magazine *The Atlantic Advocate*. Mr. Wardell has been tremendously interested in expanding the economy of the Atlantic provinces. The other four members of the board will be Mr. Frank H. Sobey of Stellarton, Nova Scotia; Mr. Melvin McQuaid of Souris, Prince Edward Island; Mr. Fred Ayre of St. John's, Newfoundland; and Mr. Donat LaLande of Moncton, New Brunswick. Mr. Sobey is the chairman of Sobey's Stores Limited of Stellarton; chairman of the United Steel Corporation Limited; and president of Industrial Estates Limited. He is also a director of a number of firms, including Maritime Steel and Foundries Limited, Dominion Steel and Coal Corporation Limited, the Nova Scotia Trust Company, and so forth.

Mr. Melvin McQuaid is a well known public figure in Prince Edward Island, who from 1958 to 1962 was provincial treasurer and attorney and advocate general of that province. Mr. Fred Ayre of St. John's, Newfoundland, is managing director of Bowring Bros. Limited, one of the largest, if not the largest, merchandising establishments in Newfoundland, with branches in Labrador, Halifax, Nova Scotia, and Montreal, Quebec.

Mr. Donat LaLande of Moncton, New Brunswick, is the assistant general manager of the maritime district, Provincial Bank of Canada, who has also throughout the years devoted himself to the welfare of the maritime provinces.

The act provides that members of the board are appointed to hold office for a term of five years, except that of those first appointed one shall be appointed for three years and two shall be appointed for four years. Accordingly, the term of the chairman and Mr. Sobey will run for five years, that of Mr. McQuaid and Mr. Ayre for four years, and that of Mr. LaLande for three years. The government is very appreciative of the fact that these five outstanding representatives of the Atlantic region have agreed to serve as the first directors of this important new institution.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, whatever our views have been of the legislation, I am sure that everyone in the house will be glad that this board has now been appointed. Our hope will be that it will set to work without delay and that there will be some projects forthcoming for approval at the earliest possible date.

Mr. Speaker: It now being five o'clock the house will proceed to the consideration of private members' business as listed on today's order paper, namely private bills as appearing on page 15.

PRIVATE BILLS

THE PHARMACY EXAMINING BOARD OF CANADA

Mr. D. R. Mitchell (Sudbury): Mr. Speaker, I wonder if I could ask the house for unanimous approval for the precedence of private Bill No. S-15 standing in my name, which is No. 447 on today's order paper.

Mr. Speaker: Unanimous consent of the house is asked by the hon. member for Sudbury (Mr. Mitchell) that item 447 should come to the head of the list in precedence to the first item. Is it agreed?

Some hon. Members: Agreed.

Mr. Mitchell moved the second reading of Bill No. S-15, to incorporate the Pharmacy Examining Board of Canada.

Motion agreed to, bill read a second time and referred to the standing committee on miscellaneous private bills.

MARION RUTH CATHERINE SLATTERY

The house in committee on Bill SD-5, for the relief of Marion Ruth Catherine Slattery —Mr. Mandziuk—Mr. Paul in the chair.

On clause 1—*Marriage dissolved.*

Mr. Peters: Mr. Chairman, we are being asked today to grant a divorce to Marion Ruth Catherine Slattery, who lives in the city of Montreal. We note that in this case the people concerned are quite young. They have been separated and there has been a history of some disagreement. We also note that there is a rather unique feature in the bill in that the investigators are not the normal class of investigator but are related to the petitioner. As in all cases where there are investigators and where investigation must be proven, I think there is also a desire to give more credence to the evidence of those who are not interested for financial reasons in the case. But where there are blood relations involved there are other interests which must also be given consideration.

In this case it seems to me that we must look at the evidence. I think it is important to look at the questions asked. The questions commence on page 2, and I should like to point out that in reading the evidence I found that the barrister-at-law from Montreal in my opinion did a very good job and asked the questions in a way in which I think they should be asked. I certainly would commend his handling of the case to other lawyers who I think have not done as well.

The questions start in this way:

Q. Mrs. Slattery, were you born in Montreal?
A. Yes.
Q. Have you lived there all your life?
A. Yes.
Q. Was your husband born in Montreal?
A. Yes.
Q. Has he lived there all his life?
A. Yes.
Q. Is he still living in Montreal, to your knowledge?
A. Yes.
Q. Is he employed in Montreal?
A. Yes.
Q. Do you know the firm for which he works?
A. The Weekend Picture Magazine.
Q. Do you know how long he has been employed by that company?
A. About 10 years.
Q. So far as you know does he intend to remain in Montreal, Canada?
A. Yes.

Mr. Chairman, I think that in this case counsel has established the matter of domicile in a straightforward way and has asked the questions which are sometimes not asked, but which in this case have been well presented.

Then the chairman asked:

Q. How old is your husband?
A. 32.

Then Mr. Greenberg continued:

Q. Did you cohabit with your husband and live as man and wife after you were married?
A. Yes.
Q. Were there any children born of your marriage?
A. No.
Q. How many times have you separated from your husband?
A. Twice.
Q. When was the first occasion?
A. In June of 1959.
Q. What were the immediate causes of that separation?
A. He was constantly going away on week ends by himself, and when I asked him to explain his absence he wouldn't tell me and he didn't treat me very well, so I went to my mother's.
Q. When was this?
A. In June of 1959.

Mr. Chairman, you will notice that the difficulty which developed in this marriage developed after the marriage had been in effect for something like three years. Mr. Chairman, if you would give some consideration to a suggestion which has been made by many hon. members in this committee which is in the form of a bill now before the house, it would seem to me that if a court was handling this particular case and had been available to this couple, in view of the fact that this marriage had a reconciliation feature about it and the marriage had been in effect for three years, if family counselling had been available this is probably one of the cases which would not have come before us. If we are going to continue as we appear to be continuing and to operate as a pseudo-court, if we were to establish for ourselves the services of a family court, which would have all the machinery available to such an institution, which would allow for the assistance and the rendering of advice to this particular couple during the period when the marriage was already in jeopardy, when there had been a temporary separation and the marriage was later resumed, then it seems to me this marriage might have been saved.

It seems to me that as a court we should have the right and the obligation to suggest whenever it seems advantageous that assistance be made available, and be made available by competent people on the instruction of the appropriate court, in order to see that a reconciliation of the marriage is attempted and is worked for. Because it is generally assumed, I think correctly so, that the institution of marriage, lying in the public domain, is of public interest and therefore the public has an obligation to see that the element of matrimony is maintained at as high a degree as possible. I think this can be accomplished in many cases by the use of a family court and the machinery which would be available for counselling services.

After the second reconciliation took place the wife returned to her husband. She had lived at her mother's house for the period of her separation which was of very short duration, namely four or five days and she had returned to her husband. Fortunately in this case, while the couple were quite young and probably ill advised in some of their actions, the mother of the girl insisted that the couple return and after four or five days had persuaded her daughter to go back to the husband. The questioning continues as follows:

Q. How were things after you went back? A. For a while they were fine and then in November, 1959, he started the same things again, going away week ends by himself and he wouldn't explain his absence. When I asked him why he didn't take me he said, "If you want to go out, go out. I don't care what you do".

I think this is an indication that if the services I mentioned had been available at that time we might not be considering this case today. There was a period of time in which the marriage had actually been re-entered upon successfully and not much objection was taking place at the time. The questioning continues:

Q. Did you have regular quarrels after these week ends of absence? A. Yes.

Q. Did he treat you badly during these quarrels? A. Yes.

Q. What did you do after this? A. When I would ask him where he was he wouldn't answer me and he pushed me aside and told me not to bother him. I would ask him, "Where were you? Where have you been?" And on one occasion he grabbed me and tried to choke me and he said, "Look, don't bother me. It's none of your business where I go."

Q. When was the occasion of your second and final separation? A. In May of 1960.

Q. How did that come about, exactly? A. He was away for the whole week end. On the Saturday night I was afraid to stay by myself because the people in the building were away. I was alone in the building.

Q. What did you do? A. I went down to my mother's place on Saturday night.

Q. Did you try to communicate with your husband during the week end? A. Yes. I phoned him all week end and I couldn't reach him until the evening of Sunday night.

Q. What happened when you reached him at that time? A. I called him and all I said to him was, "I am at my mother's". And he said, "Good, stay there".

Q. Have you lived with him since that time? A. No, I haven't.

Q. You have stayed with your mother since that date? A. Yes.

Q. What did you do the next day, Monday? A. I left the next day. I went home and took some of my clothing with me and I went back to my mother.

The Deputy Chairman: Order. I am sorry to interrupt the hon. member but I think he is now reading the evidence in this case. When he is doing that, he is reading a speech. I should like to refer the hon. member to Beauchesne's fourth edition, page 124, citation 144:

It is a rule in both houses of parliament that a member must address the house orally, and not read from a written, previously prepared speech, for the reason that, "if the practice of reading speeches should prevail, members might read speeches that were written by other people, and the time of the house be taken up in considering the arguments of persons who were not deserving of their attention.

I think the hon. member may say a few words about the evidence in this case but I am sure he will try not to read *in extenso* the evidence in the case.

Mr. Scott: Speaking to the point of order, Mr. Chairman, may I say this. Surely, on reconsideration, you will alter your ruling which seems to be an incredible one. The hon. member for Timiskaming is not reading a speech. He is presenting to the committee some evidence from the transcript of evidence taken in the other place. How that evidence could, by any stretch of the imagination, be construed as a speech, I find it extremely difficult to understand. If the hon. member had written his remarks out and then had purported to read them to the committee, I could see some merit in your ruling, Mr. Chairman. However, what he is doing here is reading into the record from a transcript of evidence those portions which he considers to be very important. I am completely at a loss to understand how that procedure comes under the heading of reading a speech. I wonder whether you, Mr. Chairman, could explain it to me in language which I could comprehend.

The Deputy Chairman: If the hon. member refers to citation 144 he will find these words in the last lines:

—and the time of the house be taken up in considering the arguments of persons who were not deserving of their attention.

That is the reason why I asked the hon. member for Timiskaming not to read all the evidence in this case. I am sure that, with co-operation, we can discuss the whole of this problem without reading the evidence that has been given in the other place.

Mr. Barnett: If I may, Mr. Chairman, I should like to say just a word on the point of order that has been raised. With reference to your last remarks may I say that I feel sure you would not be suggesting that matters which have been given in evidence in the other place are matters which are not worthy of the attention of members of this House of Commons. In addition to that—

The Deputy Chairman: Order. I do not think the hon. member understood what I said. I never said that. I asked the hon. member for Timiskaming not to read all the evidence. He may advance arguments and make remarks about it but I asked him not to read all the evidence. I never asked him not to make any remarks about the evidence that has been given in the other place.

Mr. Orlikow: Surely, Mr. Chairman, the only person who can decide how much of the evidence in a particular case is germane to his argument is the member who is speaking. I presume that, some time during this session, we shall be discussing a subject such as the Columbia river pact. I presume that certain members, and perhaps some on the government side, will wish to quote extensively from the evidence which was given before the committee which studied the pact. Surely Mr. Speaker is not going to decide when a member, whether he sits on this side of the chamber or on the other side, will have quoted enough of the evidence. Surely this is not reading somebody else's speech. Hon. members may or may not think that the evidence which the hon. member for Timiskaming is referring to is important. However, surely only the member involved can make a decision on that matter.

The Deputy Chairman: I think the hon. member for Winnipeg North misunderstands the duty of the chairman of the committee. I should like to read to him standing order 59, paragraph 2:

Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

And also paragraph 4:

The chairman shall maintain order in committees of the whole house, deciding all questions of order subject to an appeal to the house; but disorder in a committee can only be censured by the house, on receiving a report thereof.

Mr. Orlikow: Since the only item before the committee is a particular divorce action and since the hon. member for Timiskaming is quoting from the evidence with regard to that divorce action, surely he is in order, as there is nothing else to discuss.

The Deputy Chairman: I think the hon. member is not following the citation. He is reading, and that is the reason I asked the hon. member for Timiskaming not to read his speech. He can make any comments about the evidence he pleases but I ask him not to read all the evidence.

Mr. Scott: Speaking still to the point of order, Mr. Chairman, I would not want you to think that in anything you say we are in any way questioning your authority. We have always found you to be extremely fair and very courteous in all the dealings you have had with us in the house. Therefore anything we say is in no way intended to reflect upon you; indeed, we hold you in the highest esteem. But I should like to ask you, if you would be so kind as to give me your indulgence, to explain to me your ruling that the hon. member for Timiskaming cannot read this evidence.

I must confess I am completely confused. When you first objected you said that the member was reading his speech, and when this was discussed with you you then said that according to the citation we were referring to matters not suitable for the house to consider. When that was discussed you then said that the hon. member was reading long citations. Now we seem to be back to a ruling that he cannot read the evidence. I am wondering what the ruling is.

The hon. member for Timiskaming is purporting to read into the records of the house portions of the transcript of evidence taken in the other place on which this bill is based. It seems to me that is relevant and should be available for the consideration of members of the house. I wonder whether you would restate the ruling why the hon. member cannot read this evidence into the proceedings here.

The Deputy Chairman: Perhaps I can give my ruling in French and with the translation I am sure the hon. member will understand well what I said.

(Translation):

I asked the hon. member not to read *in extenso* all the evidence submitted during the inquiry by the Senate committee.

I suggested that the hon. member confine himself to commenting on the evidence, referring to part of it when necessary, but he is not to read it because that would amount to reading a speech and I cannot allow it.

That is what I meant when I asked the hon. member to abide by the rules of the house.

(Text):

Mr. Peters: Thank you, Mr. Chairman, for your guidance. I should like to say that I am not reading entirely from the evidence. You also have my assurance that I am not reading from a speech. I have the original certified copy of the transcript of the actual evidence from the other place and it is certainly not a speech, although these transcripts may be a collection of speeches by barristers, senators, petitioners, respondents and various other witnesses.

I think that to paraphrase some of the evidence would not be a fair way to present the case. Unfortunately many members of the house do not get the evidence and I should not like to give an improper presentation of the evidence by paraphrasing rather than referring directly to it. However, you have my assurance that it is not a speech I have here but rather the transcript of evidence obtained from the other place.

As I was pointing out, in this particular case there was considerable opportunity to do something if the circumstances had been right, and in referring to the evidence and making some comment on it I should like to say that I think it highlights our inability to assist these people when assistance is needed most.

Hon. members will notice from the evidence that in 1962 the respondent was 25 years old and that the marriage took place on June 16, 1956 when she was only 19 years old. While she was of the age of legal consent, I believe we leave to chance many times the obligations we have under the matrimonial causes act. There is little education along this line and I think that we may have failed in this case to take advantage of what I believe was an obvious opportunity for the operation of marriage counselling services. It may be, and rightly so, that in many cases it is a responsibility of the faiths to which these people belong to provide this type of counselling. I am sure that in many cases this is done and that advice along this line is provided.

However, I think it would be advisable for us to consider certain points in looking at a case of this kind. The marriage took place in 1956 and it was 1959 before trouble developed. The marriage staggered along until the spring of 1961 when there was a final break-up. It seems to me that there was

an opportunity in this case for some type of family counselling. The British North America Act has given us the right to do these things and to make regulations and laws, and I would point out that I have already placed a bill before the house which would accomplish this end if it were adopted.

The very serious problem which developed here and which resulted in this young lady coming to parliament and asking for a divorce from her husband could quite possibly have been eliminated, particularly in the period from May, 1960 to 1961 when the marriage finally broke up. It is unfortunate in this case that the necessity arose of presenting such evidence as is found in the latter part of the transcript. There is evidence that the marriage which took place on June 16, 1956 was consummated but there were no children.

The Deputy Chairman: I am sorry to interrupt the hon. member but his time has expired. I have given him additional time because of the points of order that were raised.

Mr. Peters: Thank you, Mr. Chairman.

Mr. Scott: In rising to speak on this bill, I want to say that I do so reluctantly. This afternoon in the house we have been talking about matters of world-wide importance, matters concerning all the countries of the world, problems relating to the survival of mankind, peace and war, and now at five o'clock the whole machinery of the House of Commons grinds to a stop. These great matters of world-wide importance are set aside and we begin to discuss the problems of divorce.

I have read the evidence in this particular case. It is a well documented case. There is no reason why it should not go through. Everything appears to be in order, and I hope that the committee will pass the bill this afternoon. As I say, I am reluctant to speak on it at all. It is unfortunate we could not ask for the unanimous consent of the house to continue discussing the world-wide problems that were before us. Indeed, to me it is a tragedy that these items are pushed aside while we consider matters of this kind. I do hope that during this session some action will be taken by the members of the house so that we will not continually be put in this absurd and tragic position.

Mr. Peters: While I agree with what the hon. member for Danforth has said, I think it should be pointed out that the members of this house have taken unto themselves the responsibility for adjudicating upon each case. Since that has been done, I believe we are going to have to find some new way of doing this. If I were to adjudicate on this case, I would say that I agree with the hon. member for Danforth when he says that this is a good case.

However, Mr. Chairman, I think this case has the same problem attached to it as all other cases have which come before us. We have to look at this evidence very closely because we are setting ourselves up as a quasi court. I am prepared to study this case and bring some matters to the attention of the committee. I believe we should consider the evidence as carefully as we do in any other case. In looking through the evidence I notice that the lawyer very carefully and skilfully leads the witness through a number of questions in order to establish certain facts. I am wondering if the same evidence would have been given if the witness had been allowed to make her own presentation rather than just answer questions. It seems to me that in this case the lawyer handled it very well. He asked questions such as these:

Q. Did you have regular quarrels after these week ends of absence?
A. Yes.
Q. Did he treat you badly during these quarrels?
A. Yes.
Q. What did you do after this?
A. When I would ask him where he was he wouldn't answer me and he pushed me aside and told me not to bother him. I would ask him, "Where were you? Where have you been?" And on one occasion he grabbed me and tried to choke me and he said, "Look, don't bother me. It's none of your business where I go".

In reading this evidence it would appear that they had a nice quarrel, a very quiet quarrel. You might as well have said, "After you Alphonse". It seems to me the language does not indicate the fact that the young lady has been choked; he says, "Look, don't bother me." It seems to me the questioning is rather leading.

We come now in this case to the establishment of the charge of adultery, and I think this is fairly important. I should like the hon. member for Danforth, if time is available, to say something on the legal aspects of a problem we have here. This problem is indicated by these questions and answers:

Q. Mrs. Slattery, what has happened since that time to lead you to believe that your husband has been living with another woman?
A. Well, he lives in the same area in Verdun as I do and I saw him in his car with another woman and they had a little baby in the car with them.
Q. Did you recognize this other woman?
A. Yes I knew her from the area.
Q. Are you personally acquainted with her?
A. No.
Q. Do you know her name?
A. Yes.
Q. What is her name?
A. Joan Tibbo.

Q. On this occasion when you say you saw her with your husband in his car with the little baby did you inquire about this?
A. Yes, I did.

If the hon. gentleman wishes to carry on a conversation, I hope he will speak a little louder. Now, I am only annoyed by the mutterings but I would be quite happy to answer a question if he wants to ask one.

Mr. Legare: I am just helping you to kill time.

Mr. Peters: I would be very happy to have the hon. member discuss this case if he sees fit.

I would make this point. The evidence given establishes that, before the divorce procedure was set up, the true reason for the divorce is established rather than the adultery charge which is dealt with later. I should like the hon. member for Danforth to consider the fact that, here is a woman who presumes her husband is living with another woman who has a child. This, in itself, would be fairly strong evidence that adultery had been committed. It does not seem as though any effort has been made to hide the fact that there is a child. I believe, therefore, that the basis of this case is a common law arrangement, which is not necessarily an adulterous arrangement; but in a case where a child is born adultery would be presumed.

I believe this would be the grounds in this case rather than the grounds established in the evidence. I feel that this is a technical point. I notice, too, that there is an interest on the part of the wife herself who did not go out and hire lawyers to get the evidence that must be produced before this tribunal. My point is that I do not believe we should go through all the procedures since there appear to be grounds established in the early part of the evidence that are more legitimate than the grounds that are developed later in the evidence.

I believe the fact that she is commonly accepted as his wife in that part of the community, of having a child accepted by him in that part of the community, and of establishing a common law domicile habitation in that area should establish the grounds for divorce, and not the grounds that are later developed. These grounds involve the brother of the girl and her mother. Maybe the committee would be interested in what happened. They go to the house, and it is interesting to note that again the mother comes in. She seems to be a very intelligent woman and says that the daughter should take a trip and go on holidays to think the matter over very seriously before she does anything about it. On returning from the holiday the mother and daughter both go to see a lawyer to get information about how to get a divorce.

This is the part that seems to me rather foolish, that in normal circumstances the establishment and non-denial of the establishment of a common law marriage in itself should not be an acceptable ground before this committee. It is quite true that we have not amended the Canada divorce act, that we have in it only provision for divorce on the grounds of adultery, but it seems to me there should be an amendment to the rules in the other place to allow for a divorce on the grounds of cohabitation with someone other than the marriage partner. This should be very easily established if there is an issue of that common law union.

In this case the normal procedure is gone through. The brother, the wife and the mother go to the apartment of the husband and they enter it. Incidentally she decided that she was not going to go there but she said she discussed it with her lawyer.

Q. Did you inquire about anything else with Mr. Rohrick at this time?
A. Yes, I told him I had been trying to get some personal things and my husband wouldn't let me have them, and I said, "Can I go to the apartment and get them?"
Q. What personal things were these?
A. I had a portable sewing machine I wanted and some crystal I bought before I got married.
Q. And your husband wouldn't give you these things?
A. No, and he said he would have me arrested if I went to the house because I had left on my own accord.
Q. Did you still have the key to the apartment?
A. Yes.
Q. What did Mr. Rohrick tell you?
A. Mr. Rohrick said that he couldn't have me arrested, that I could go but he said, "You best bring somebody with you to witness that you are just taking what is yours."
Q. And did you do this?
A. Yes.

Incidentally, Mr. Chairman, this reminds me of the R.C.M.P. going into somebody's place just taking what is theirs, and doing so in many cases without what seems to be the proper advice being given.

Anyway, they arrive on Tuesday night, September 26, 1961 and she is accompanied by her brother and mother. They open the door with the key and the brother goes in first. They go into the bedroom and again there is the same kind of problem. Maybe, Mr. Chairman, this is only because they are not qualified detectives and have not had the experience of some other detectives; because in the whole shuffle—and I do not want to read it all—they missed the baby. In the contention I put forward the baby would be an important part of our consideration; but if you will notice they went into the house, the brother went down the hall and into the bedroom, and

the husband was at the door of the bedroom. The brother met him and while he was putting on a bathrobe over his pyjamas the question is asked:

Q. How many bedrooms were in that apartment?
A. Just one.
Q. In this bedroom was your husband alone?
A. No.
Q. Who was with him?
A. The same girl who was in the car with him.
Q. Miss Joan Tibbo?
A. Yes.
Q. Where was she?
A. She was in the bed.
Q. Do you recall the exact date of this visit to the apartment?
A. 26th September, 1961.
Q. Where was this Joan Tibbo?
A. She was in the bed too.
Q. How many beds were there in that room?
A. Just one.

Mr. Chairman, I wonder at this point what would happen if there were two beds in that room. What would the senators do in that particular case? Somebody says "Look under the bed." In this particular case the question was not asked if they looked under the bed. Maybe the committee would be interested some time in finding two beds in one bedroom to see what kind of situation would develop.

Q. What kind of a bed was it?
A. Double bed.
Q. What part of the bed was she in?
A. The side near the wall.
Q. Do you recall what she was wearing?
A. She had baby doll pyjamas on.

This may be the advisor to the other famous detective who always had the girls dressed in baby dolls. They may have been blue or pink but they were always baby dolls. Maybe it was not the detective who thought this up. Maybe it was the lawyer in the case who thought it up.

Some hon. Members: Shame.

Mr. Peters: Some lawyers have lots of imagination, I have found.

Q. Did you notice any articles of her clothing around the room?
A. Yes, there were some things showing on the chair, a slip and some other things.

A number of other questions follow which I do not think are of any importance and the question is asked:

Q. Could you tell whether the bed had been occupied by the two of them before you got there?
A. Yes, because there were marks on the pillows and the bed clothes were thrown back.
Q. What did you do then?
A. My brother said, "Let's get out of here", so we turned around and walked out.

I notice in walking out they did not take either the crystal or the sewing machine. They may have been excited. There may have been other things said but it surprises me that they did not stop for the sewing machine or crystal.

Q. You have not, of course, lived with your husband at all since that day?
A. No.
Q. Have you received any support financially from your husband since that day?
A. No.

They then go on to ask what she earns and then the chairman intervenes and said:

Deal with collusion and connivance.

I am very pleased to see that was done. This is something we could recommend to some of our provincial courts to deal with, so that judges would keep this in mind and refer to it.

By Mr. Greenberg:

Q. Has there been any collusion between your husband and yourself to obtain this divorce?
A. No.

By the Chairman:

Q. You know what that means?
A. Yes, I do.
Q. You have not made any arrangements with your husband to get this divorce?
A. I have not spoken to him.
Q. You have not connived at or planned the adultery in any way.
A. No.
Q. You have not condoned the adultery, forgiving your husband?
A. No.

The reason I believe this is very important is because of the fact that in a case like this it is quite likely that the young lady herself would decide that, and she has indicated there was no chance of reconciliation, and because there is no chance of reconciliation she really is getting the divorce on the basis of the common law marriage that is in effect. This is the point I would like the lawyers to consider, that in the legislative sense it would be much easier for us to say the divorce is being granted on the basis of the common law alliance rather than on this particular limited and very sketchy evidence which indicates absolutely nothing about adultery but that two people were together sleeping in this particular bed. I believe the adultery is much more clearly indicated in the common law alliance which has resulted in an issue, and at this point I would wish some of the legal pundits in this court would give it their consideration. Then Mr. Greenberg, the counsel, asked the question I was concerned with before:

Q. Would you take your husband back at this time?
A. No, not when there is a baby involved, I wouldn't.

By the Chairman:

Q. Was the baby in the room when you went in there?
A. It wasn't in the bedroom. The living room was in darkness so I don't know if it was there.

I wonder why she did not ask when she went to get the crystal and the sewing

machine. She might then have found out whether the baby was there. Mr. Chairman, while I agree that this is a good case and would probably go through in court, has adultery, in your able opinion, been proved in this case? Was the baby borrowed from one of the neighbours to create a situation which would set up this investigation? I would think that if the baby was there, if there was a baby in fact in the whole procedure, the common law alliance itself would of necessity have to be proved. The detectives in this case or, as it happened, the sleuths—the wife, the mother and the brother—should have scouted around and found out whether this baby was in fact living there. At this time the baby was probably old enough to be out and around. I suggest that is a very important part of the evidence.

Normally there are other matters that detectives consider, but in this case the evidence concerning the charge of adultery appears to be of a very stereotyped nature, and I would suggest that perhaps some coaching was carried out in connection with the answers given. I hope I am not being discourteous in this regard.

The Deputy Chairman: Order. I have to advise the hon. member that his time has expired.

Mr. Scott: Mr. Chairman, I was not intending to speak again on the bill but at the urging of my hon. friend I will give an opinion on the validity of the evidence in the hope that it will convince him to withdraw his objections and let the bill go through. My hon. friend seems to think that the case for passing the bill and granting relief has not been made out and I want to try to convince him that it has. But, Mr. Chairman, if he is going to invite legal opinions from hon. members of the house, I wish he would make it clear in what capacity he is consulting us, whether it is in our legislative or professional capacity, because there might be a difference to his pocketbook depending upon which classification is applied when he is asking the question. My hon. friend seems to think that because there is a common law arrangement here, all this is not satisfactory evidence. That is his point of view. I would like to assure him that as I interpret the law there is no such thing as a common law marriage. It is merely a polite name for living in sin. In the handling of divorce actions the whole arrangement of living together and passing yourselves off as man and wife is, of course, the very best evidence that you can have. Man being man, and woman being woman, the courts will assume that the necessary grounds have been proven and the marriage will of course be dissolved.

[Mr. Peters.]

Therefore if that is the only objection that the hon. member for Timiskaming has to this particular bill, let me assure him that the evidence is there, the case has been proven, there is no reason why he should object further, and I urge him to lift his objection to this bill, to accept our assurance that the case has been made out, and to permit the committee to pass the bill.

The Deputy Chairman: Shall clause 1 carry?

Mr. Peters: Mr. Chairman, I think that what has been said is probably true in a legal sense, and therefore I am satisfied that it is so. However, I think there is a legislative question, because we operate in this pseudo role, that must be dealt with by the House of Commons in this business of Quebec and Newfoundland divorces. I think the final discussion of the bill should concern the fact of how the divorce is paid for. I know that many hon. members have looked at the methods that have been used for paying for some of these cases, and know that the fact is that on occasion the other place sees fit to give a rebate of the payment to be made. Therefore we appreciate the questions put by Senator Kinley in which he asked about the financial arrangements of the petitioner. He starts by asking:

Q. Were you working during this period?
A. I have worked eight years. I have always worked.
Q. Ever since your marriage?
A. Yes.
Q. And you helped to support the household?
A. When I was married?
Q. Since you were married, what did you do with your money?
A. I used some of it for the house but I was able to save quite a bit because he has a very good job.

Then the chairman asked:

Q. Would you take your husband back if he wanted to come back?
A. I certainly would not.

Then Mr. Greenberg asked:

Q. Have there been any previous court proceedings of any kind between your husband and yourself relating to your marriage?
A. No.

Mr. Chairman, I think it is very interesting to have these questions asked in a straightforward way. This establishes one of the major facts in this case and puts it in a different light from some of the other cases we have considered, in that it would appear to me—and I think it would appear to other hon. members, on consideration—that this woman, working as she did as a secretary and earning a fairly good remuneration—

The Deputy Chairman: Order. It being six o'clock, I shall rise, report progress and request leave to sit again at the next sitting of the house. Agreed?

Some hon. Members: Agreed.

Progress reported.

Mr. Speaker: Order. The hour appointed for the consideration of private members' business having now expired, the house will revert to the business that was interrupted at five o'clock.

SUPPLY

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

DEPARTMENT OF EXTERNAL AFFAIRS

1. Departmental administration, $7,305,200.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Thompson: Mr. Chairman, belief in a democracy does not necessarily mean hostility toward or enmity of different ideologies. Our nature as Canadians is to be tolerant. In the beginning we did not want to come to the point where we would counter communism with war and armed strife. We may even be loath to admit it now, but we must admit that deep in our hearts we recognize that there can be no conciliation between communism and western democracy, any more than darkness can be conciliated with light, or wrong with right. It is time that we admitted this openly. However, we cannot be so foolish as to believe that we can preserve our way of life by force alone. Particularly at this present time should we realize that armed force is no longer the only means by which a country can prevail over its enemies. On the other hand we must also realize that we can never prevail in our cause in this world struggle if we allow ourselves to be overwhelmed by the force of an enemy. Thus we Canadians face up to the reality of world crises and the inherent dangers which face us, even now at this particular time.

The cold war is not one of our own choosing. The Canadian people want nothing more than to live in peace—to live in peace with themselves and with their neighbours. But we are at war because communism is at war with us, and if we wish to preserve our way of life we must fight for it or it will be wrested away from us. It is our responsibility as politicians to lay these things clearly before our people. The Canadian people want to be told the dangers which face them. We all want to do our part in our humble stations to secure freedom and safety for ourselves, for our families and for our country. Too much of the time our old line politicians take no decisive stand against this danger. Either they pooh-pooh it or else they pretend it is not there.

Since the end of world war II the free world has been pursuing a policy definitely designed to contain the communist menace. I believe this policy has been right, in spite of our government's indecisiveness at times. I believe we must stand for the way of life we believe in, one that respects the rights of an individual against the threat of a totalitarian government. I believe that if we are to win then we must adopt the best weapons at our disposal, and these are not military weapons alone. There can be no substitution for moral standards; let us never forget that.

To put the present situation in its proper perspective the over-all military picture must be considered from four aspects; from the moral aspect, from the economic aspect, from the political aspect, and from the strategic aspect. Let us look at the moral side of the picture first. In one sense Canada is already committed to nuclear arms. For 15 years she has been sheltering under the umbrella of the United States nuclear deterrent. I do not believe that it has been wrong to do that. If we are serious in our fight against communism, the choice is not simply nuclear arms or no nuclear arms. It does mean choosing the best weapons which will serve the national policy we have decided upon. Morally speaking, there is little difference between a rifle with a bullet in it and a Bomarc with a nuclear head on it.

In considering the moral aspect in its most extreme form, the nuclear bomb is basically one of mass destruction. This is the H-bomb. This is the bomb carried by the intercontinental ballistic missile, by the heavy bombers which fly overhead, by the Polaris submarines. It is the technique of warfare which brings about mass destruction. It brings the terror of total destruction to force the way of the aggressor upon an unwilling victim. This is the nuclear offensive weapon of mass destruction as carried by the carriers I have outlined.

Let us remember that there are also other weapons of mass destruction. There is bacteriological warfare, poison gas, ray warfare, the poisoning of food and water supplies. Yes, and even conventional arms may come under this classification. I was surprised when in Tokyo the other day to learn that in a number of single bombing raids during the last months of the war more people were killed in Tokyo than in the dropping of the atomic bomb at Hiroshima. I believe that the

use of all such weapons is a crime against humanity and is not justifiable on any moral grounds whatsoever.

It should be made clear too that there are two types of nuclear weapons which do not fall within the category of weapons of indiscriminate or uncontrollable mass destruction. One is the ground-to-air missile of comparatively small range and limited fall-out and used for the purpose of military troops in the field. I believe that such weapons are entirely different from the heavy nuclear bomb of mass destruction. The decision for their adoption must be made on the basis of military advisability. I agree that our forces cannot be "sitting ducks" for an enemy which they face and which has superior weapons to what they have. A few weeks ago I visited the Canadian cemetery in Hong Kong. Here I found the grave markers of many a young Canadian who gave his life in December, 1942 to defend that outpost in world war II. These men were sent to defend Hong Kong ill-equipped, improperly trained, and they became easy prey for an enemy which they did not believe existed. This cannot happen again.

The second type of weapon is the nuclear-armed anti-missile missile, examples of which are the Bomarc or the Voodoo aircraft. The aim of such weapon is not to cause destruction of any person or territory but to destroy in flight hostile rockets or aeroplanes carrying these rockets which menace our country or continent. These are defensive weapons particularly as they relate to Canada in our geographic position, because by no means could they reach enemy territory.

Let us now look at the second aspect, namely the economic aspect. From the economic point of view Canada is a nation of limited population and resources placed in the uncomfortable position of being the buffer state between the United States of America and the U.S.S.R. I do not believe that Canada should or even could as a matter of fact, manufacture or obtain her own independent nuclear deterrent. It is significant that while the balance of world power would be small, the danger in extending the scope of the nuclear club would be great. Even Khrushchev has not allowed his satellites to have the nuclear bomb in their hands, not even in Cuba. We would be wise in Canada to respect this unwritten convention for the sake of keeping world tension to a minimum.

We must also consider the military and strategic aspect of this military picture. It is sound policy to say that any government is responsible to see to it that at all times their nation is prepared to defend herself against any aggressor or any intruder to the best of our physical and economic ability. It is also our responsibility and privilege to share in the collective security which we have without friends, and to fulfil any or all commitments it is necessary to make. However, our big problem now is that we do not know how far our commitments go. We do not know this with regard to NATO. We do not know whether or not we have any specific commitments to NORAD or NATO. Strategically our need goes further than that. We are losing this war against communism because we are not fighting on many fronts where the weapons are not shooting ones, as we know them, but rather weapons of intrigue, subversive propaganda, trade infiltration and economic disruption. We dare not be so smug as to think we can win this cold war using the methods of world war II or of world war I. If we are to develop a peaceful world we must get away from the use of force upon our fellow man. Rather, we must prefer to give him our help, our friendship, our trade. In the first instance, this responsibility extends to the nations who are one with us in the cold war struggle. I believe there are a number of points which more or less sum up this entire picture for us.

I think we should methodically approach these points in an intelligent way with the information we must have in order to do it. I believe our responsibility to our electorate requires this procedure.

First of all, what are the logical policies which develop out of this approach? On behalf of my party I pledge that Social Credit will never adopt or support a defence policy whereby Canada adopts or makes use of offensive weapons of indiscriminate or uncontrollable mass destruction. Canada should indeed use its best efforts to promote the complete abandonment of this type of armament throughout the world, through effectively supervised multilateral international agreement.

The second point concerns whether or not Canada should acquire nuclear defensive weapons at this time at home or with NATO. The leader of the Liberal party has said that we must acquire nuclear armaments in order to keep our commitments with NORAD, with NATO. This is a reversal of the policies he enunciated up until the last couple of weeks.

Some hon. Members: No.

Mr. Thompson: I wish to ask him what these commitments are. Have we agreed to accept nuclear weapons or have we not done so?

An hon. Member: Ask the Prime Minister.

Mr. Thompson: I would ask the government, the Minister of National Defence, the Prime Minister the same question.

An hon. Member: And get three different answers.

Mr. Thompson: When we agreed to purchase Bomarcs, did we agree to equip them with nuclear warheads? What about the Starfighter? What about the Voodoo? Is the question of NATO weaponry a Canadian decision? Is it a bilateral decision or is it a multilateral decision? What is our responsibility to NATO? If it is secret let us say so, and tell the public. After all, that is the only way in which we can be informed. Let me say that this question of emotionalism is no basis upon which to settle the problem before us. How can this house make any sound decision before it has the facts. I say that the onus is on the government to make these necessary facts available. We on our side of the house agree that a special defence committee should be set up. It is absolutely imperative that a means of continued sound approach to the safety of this country be instituted. Let us not forget that consideration. We in Social Credit are convinced that Canada's defence policy must not be a matter of partisan politics or party squabbles.

The Prime Minister so far has refused to set up an all-party parliamentary committee on defence. We believe he is wrong in this refusal. It would be well for him to remember that this is a house of minorities and that neither he nor any of us knows which political party will be responsible for Canada's government and defence policy even three months from now. We ask that all parties together may have a chance to work out with proper information a constructive policy for our country in its relations with other nations of the world and in our own internal policy in which Canadians of every political allegiance can have confidence. The answer to this second point cannot be answered until we have the facts before us and until something of this type has been done. What if we should go into an election in the next week and another Cuban crisis arises during this election period? How could we meet our commitments then? What if there should be a change of government and if in the first few days of that government we should face a crisis? This is something that we collectively in this house of minorities ought to consider if we are to be responsible to the charge that is laid upon us. I believe that the nuclear question has been made far more complicated by the indiscriminate lumping together in the public mind of every variety and form of nuclear armament as if it all were identical. Nuclear weapons of tactical military use, such as the Bomarc, have been lumped together with 24 megaton nuclear bombs as if each would cause equal destruction and each had the same purpose.

Mr. Hellyer: By whom?

Mr. Thompson: I am speaking now of the public impression of this matter. It is becoming more and more apparent that no military force can afford to be without such tactical nuclear weapons when opposed by forces which have those weapons. Their deficiency in firepower would be so great that they could not longer be considered to be an effective fighting force. I believe it is ridiculous to use the argument that because the 24 megaton bomb is a bomb of mass destruction, there cannot be defensive weapons which in an emergency are legitimate. It is asking us to throw out the baby with the bath water. Whether such weapons are a defensive military necessity in the defence of our country, or whether we have given a commitment to an ally to adopt such defensive weapons, it is a question which must be answered now and it must be answered by this house. The government has the main responsibility in the matter simply because it is the government. It is the responsibility of this parliament to speak clearly on these points and it is the responsibility of the government to state clear their policy. However, all fit into the world picture to which we are now committed.

I should just like to make one more remark in connection with this second point. Canada for years now has been sheltering under the umbrella of the nuclear deterrent of the United States. For our own good I believe it is our duty and our responsibility to help keep this deterrent strong. I believe that we must assist in maintaining a strong surveillance system, an efficient anti-submarine force in full co-operation with the United States. These are just the facts of our geographic location. We must also equip our three services with sufficient highly mobile, conventional, effectively co-ordinated defence equipment. Such forces must be completely mobile in this day and age, equipped with only the best and most modern equipment. We should discard all land equipment which cannot be air-lifted. Our air force should be equipped with the best tactical aircraft and light and heavy transport. These permanent forces should be supported by strong forces of civilian soldiers and a university training program.

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

Some hon. Members: Go ahead.

The Chairman: Does the committee give unanimous consent?

Some hon. Members: Agreed.

Mr. Thompson: Thank you very much. I appreciate this courtesy.

Third, I would say that we must intensify our efforts toward multilateral nuclear disarmament and total military disarmament. We must continue without respite our efforts through the United Nations and by international negotiations to obtain effective international disarmament. The enlargement of the nuclear club and the expansion of the nuclear stockpile must be stopped. Perhaps Mr. Khrushchev removed all the missiles from Cuban soil, but let us remember that just the other day in east Berlin he said that the 60 missiles from Cuba have become 120 missiles elsewhere. We are also told that communist China will have nuclear bombs within the next year or two. Surely civilization will never resort to the destruction of itself. As a pioneer, peace-loving friendly people Canadians can reach their evident place in destiny as champions for a sane, vitally needed armament control program.

At this point it is well to remember that effective disarmament can only come as a result of peace. Peace will never come as a result of disarmament. Disarmament will come as a result of peace. Because if we have no peace there is no chance of reaching a disarmament agreement as we think of it today. Nevertheless we must continue to work for it. Yes, Canada must continue to take part in disarmament negotiations wherever and whenever they might be held. We want to be there when the first crack in the wall appears that might lead us through to something that is definite in this regard. We want to be there when the first ray of light appears through the darkness that now divides the world and makes disarmament impossible. In addition it is our responsibility to make our services available and our influence felt in any armament control agreement that may come in the process of disarmament negotiations, however small it may be. Arms control even through international agreements can never bring about an established peace, though it can and will serve toward lessening the probability and the destructiveness of war and lead us on to the peace that we all agree we should have.

In the fourth place, I would say that on the positive side in our own hemisphere the need for Canada to join the organization of American states is urgent and it has been for many months. Bolivia can never survive without United States financial assistance. Peru may even vote in a communist government next year. The Argentine becomes more and more vulnerable. Venezuela and Guatemala are unstable. Panama threatens to be a hot spot. Cuba has already fallen. Communist penetration in all these areas is intense. The population of these countries is soaring. It is estimated that within 25 years the population of Latin America will double to more than 400 million people. Desperately they need the material and moral aid we can give from within the O.A.S., which is basically a non-military organization.

In the fifth place, we must turn to the positive role of mutual understanding and help. We will never be far wrong in our defence against communism if we think of those who need our aid as people who, without it, may turn to the communists because the communists tell them that they can do more for them. Communism and the forces of totalitarianism are on the march. We who care for the individual must go on the offensive also, to respect the rights and the desperate needs of the people, particularly those who live in the emerging nations. Can we do this if we are actually cutting back our foreign aid appropriation? This aid involves developing realistic trade and mutual assistance policies with our friends, so that our surpluses that we wish to export will go to them, not to the powers that are seeking to destroy both them and us. We must recognize that in the war which engages the attention of the greatest part of mankind, the war against want, we have been endowed by nature with the most plentiful supply of resources of any country in the world. Surely with these Canada can take a lead towards the development of the world's needy nations. This will prove far better in the long-range objective.

The sixth point I wish to bring to the attention of the house involves Canada's trade policies. They must be co-ordinated with her external affairs policies. Since one third of all jobs in Canada depend on exports, it is assumed that every sale we make abroad is beneficial to our economy and consequently to the well-being of the nation. This type of trade thinking is completely divorced from political considerations that might be involved. We simply trade with anyone who has the necessary cash or credit. This is in line with the old English principle and tradition which regards trade as a non-political activity and bars trade only with the enemy in wartime. Such an approach to world trade would be justified if all our trading partners regarded it in the same light. Unfortunately in the east-west conflict which has developed a whole scale of new methods of warfare trade is regarded and used by our adversary as a major weapon.

If we accept the premise that we are at war with the communists and that this war is being waged almost exclusively by non-military means, then we must change our

concept of international trade. Whether we like it or not we must accept the fact that trade has become an integral and perhaps the basic and most important part of our struggle for the survival of freedom. Once we grasp this fact it should not be difficult to recognize the suicidal nature of our present trade policy. This does not only apply to the so-called strategic materials. Simply because the communists openly declare and emphatically pursue a policy which is intended to destroy our social system, when we strengthen them we are increasing their chances of reaching their goal.

The difficulty in recognizing the danger in trading with the communist bloc lies in the temporary material benefits which our economy derives from such trade. It is virtually impossible to persuade a manufacturer or an exporter or a farmer, shall we say, that trade with communist countries is in the long run suicidal. It is equally difficult for the government to recognize the danger when every increase in exports, regardless of where they go, helps to create jobs and stimulate domestic economic activity. Since employment and domestic activity are the main pillars of political and financial stability, every government in the free world and every government in the communist world as well is extremely reluctant to let consideration of the harsh realities enter into the trade picture, just as we are in setting up our pattern of foreign trade.

Individual and collective greed, whether we like to admit it or not, is the motivating power of the economies of the democratic countries and it makes it virtually impossible for the governments of these countries to correlate trade with foreign defence policies.

Mr. Horner (Acadia): Would the hon. member permit a question?

Mr. Thompson: Yes.

Mr. Horner (Acadia): Would he agree that hunger is the greatest threat to peace today?

Mr. Thompson: I agree, and I would add that the greatest threat to peace as it relates to hunger lies in those countries that are still on the western side of this cold war and who would like to remain there. Just remember that hungry bellies do not care about votes and do not care about democracy. They need to have their wants satisfied.

Mr. Horner (Acadia): What about full bellies?

Mr. Thompson: I would say that if what you are referring to in your question actually reached the objective which you are thinking of then there might be more reason for your question, but I happen to know that the biggest part of it is not.

An hon. Member: How do you know?

Mr. Thompson: It is quite an easy fact to understand. Come along with me to the Far East and we will certainly find out for ourselves a lot more than you know at this time. Yet, I would say this; without such correlation we can never hope to fight effectively this strange new war that is being forced upon us by international communism. We will, in fact, trade ourselves into defeat and slavery. Moscow and Peking can at any time plunge us into serious economic difficulty, yes and political difficulty too; just remember that on the other side of the house. They can do this by suddenly stopping our exports and at the same time undercutting our prices, by flooding world markets with some of their own raw materials and products.

This may not happen tomorrow. It may not happen next year. But it is bound to happen eventually. The communists are not using trade for profit as we are. They are using trade for the mutual benefit of the participants as political weapons. At this stage of the global conflict they are agreeing to trade with us, to take as much of our exports as they can pay for or promise to pay for, because our flow of goods helps to build up their strength rapidly, even as it did for Hitler in the prewar years and also because it sucks us into dependency upon them.

It is a crying indictment of our policies that we are so blinded by the profit motive or by political expediency, for example, that we are digging our own graves. Our weak and insipid foreign, defence and trade policies are the direct result of our ideological blindness. This folly is neither new nor typically Canadian. It is characteristic of the inability of the west as a whole to comprehend the nature of the global struggle with communism in this cold war. It is also characteristic of our inability to comprehend that, in order to survive in this conflict, we cannot afford to put business interests before political and defence considerations.

Now, the issue would be clear if we were at war in the traditional way with the communist countries. We would then most certainly not trade with the enemy, just as we did not trade with the axis powers during the second world war. No amount of money would have induced us to ship grain or anything else to nazi Germany, Italy or Japan while the fighting was taking place. But has the picture changed at this point in the very basic issues? I do not think it has. The trouble, then, stems from the lack of realization that there is a direct conflict involving Canada. We are in every other sense at war with militant communism which makes no bones about its desire to destroy our political, economic and social structure. By permitting almost the total amount of our present trade expansion

to develop with communist countries, be it for monetary gain or for reasons of domestic political expediency, we are helping them to accomplish their aim. There is nothing to beat such a policy for suicidal stupidity.

Now, just as defence, trade is an extension of foreign policy. To change our foreign trade we must, therefore, change our foreign policy. Any meaningful revision of our economic thinking must therefore start with a thorough examination of our role in the cold war. This whole issue we are talking about right now is more critical at this point than the question of nuclear arms. After the shocks of the Cuban emergency and the Chinese invasion of India, such a reappraisal can no longer be postponed. Since our national economy is deeply involved in the process, this debate is the logical place to start such a reappraisal. This is a debate of our defence policy, our foreign affairs policy, and I maintain interrelated with them is our trade policy.

Now, to be reasonable about this problem, we cannot cut off immediately or drastically reduce our trade with communist countries. This would undoubtedly have adverse effects on our economy. How can we minimize and gradually eliminate the harmful effects of the political impelling force in our foreign trade? This can be done basically by reorienting our trade to the areas of the free world. It might entail a complete revision of our commonwealth trade policies. The commonwealth is the logical place to begin such a reorientation. I maintain that at this particular time when Britain is having problems in joining the European common market, that this is the logical time to call for a commonwealth trade conference, and to call for it soon. I have said this before, and I believe the need is greater and the opportunity is greater at this point than it has been at any time in the last six months.

It is inevitable to the survival of Canada that ultimately we will have common market arrangements with the United States within a reasonable number of years. Let us take the initiative now in seriously exploring that proposition. Why do we wait? Why are we indecisive? Are we not able to grasp the things that are involved?

There is a tremendous opportunity for increased trade in the Caribbean area which is now waiting for action, not words, to quote a newspaper article in one of the Ottawa newspapers last night. The entire American hemisphere will eventually provide a better outlet for our exports than all of the trade we could ever develop with communist countries, with the great population and the tremendous market potential it has. In this regard, it is interesting to note that just last week Soviet Russia worked out a deal to expand her wheat trade with Brazil. In fact, the expected trade increase with Brazil is going to be 50 per cent greater this next year than it was last year.

What about the cold war? We can go on and on talking about these opportunities that we have, but we must consider them in their full light. I would say that in addition there is a seventh point that is very important. I refer to our own financial and economic position. We all agree that per capita Canada is one of the richest nations in the world. We all agree that while we have a high standard of living, our financial and economic system has not permitted the expansion that should have developed. We can never survive in Canada with 18 million people. I notice that Japan is intending to double its gross national product in the next ten years. I believe that this is something we can do, too. Our population can be increased by 50 per cent in the same period. It is because of the defects in their economic systems that the governments of the rich nations of the world have come to rely more and more on the production of instruments of war which do not have to be sold in any market place to distribute income and provide employment for their workers. This was the method used by the axis powers prior to the beginning of world war II.

I am frightened that this very same economic technique of the placing of armament contracts to promote full employment has even become evident in our own policies in Canada. It is apparent in the United States also, that they are using the machinery of an expanded arms and space program financed through deficit financing, to keep the nation's economy in a state of buoyancy. It is idle for us to expect permanent peace in the world when the pressures of our economic system, enhance the possibility of a profitable contract to the armaments manufacturers, when employment and the means of life for great numbers of workers—directly or indirectly—demand the continuation of the arms race to prevent an uncontrollable recession. If we seek the long term lessening of world tensions, it is time that we studied very closely the workings of our capitalist economy, and the economies of the countries in the free world, to find out by what paradox it is that when we prepare ourselves for the very wasteful destructiveness of war, we become rich instead of poor.

This is one of the reasons that during the years of the Liberal administration from 1945, shall we say, to 1955, we had prosperity. It was simply because we were living off all the prosperity that developed as a result of world war II. Therefore I think it is high

time we in Canada looked at this thing in the over-all perspective in order that we face up to the responsibilities that are before us. Thus I believe the debate in which we are taking part is at the right time and is the ideal place for us to begin a real, soul-searching look into the problems we face in our relationships with the rest of the world.

So far as external affairs are concerned we cannot separate defence policies or trade policies. I believe of all people in the world we, because of our heritage, because of who and what we are, are standing on the threshold of a new era of greatest expansion and development for the human race. I say let us take a lead in it, if only we have the courage, conviction, determination and will to move forward. This is the responsibility I see before us.

Mr. Hellyer: Will my hon. friend permit a question?

Mr. Thompson: Yes.

Mr. Hellyer: Will my hon. friend say if his party believes that the Canadian government should fulfil the commitments it has to NATO and NORAD?

Mr. Thompson: I would like to know what those commitments are.

Some hon. Members: Ask your friend.

Mr. Thompson: I believe there is a grave responsibility on the government to tell us what they are, and if they are secret it should say so. If they are something which should not be brought out in public, then let us form a non-partisan defence committee where these things can be brought out in a non-political atmosphere such as we have not had during the last 12 months or so.

Mr. Douglas: Mr. Chairman, this debate on external affairs and defence estimates is long overdue. This parliament began its sittings on September 27, and it seems to me a shameful thing that in all these weeks and months we have not yet had any clearcut statement from the government regarding its policy on nuclear weapons, and that this is the first opportunity we have had in the house to debate Canada's role in international affairs.

In the next few weeks and months this country will be faced with fateful and far reaching decisions, particularly with reference to nuclear weapons, and it seems to me imperative that the people of Canada should know where the various political parties stand so that the people can make a decision as to what course this country should follow in the interests of maintaining peace and security throughout the world.

I must say, Mr. Chairman, that I was disappointed this afternoon with the statements made by the Secretary of State for External Affairs and the international spokesman for the Liberal party, the hon. member for Essex East. International affairs, defence, and the whole question of nuclear weapons are irretrievably bound up together. The minister made no statement regarding the government's policy on nuclear weapons. Of course I may say he interrupted his speech. I believe he is going to resume it, and it may be that later on in the course of his speech he will make reference to this matter but certainly, in so far as his résumé this afternoon of the international situation was concerned, there might have been no such thing as a problem of nuclear armament. The same is true, of course, of the speech made by the hon. member for Essex East.

I would like to say in great kindness to both hon. members, for both of whom I have very high regard, that the people of Canada are not concerned with whether it was a Liberal government or a Conservative government that first protested in the United Nations against Soviet imperialism. We expect our governments to take that position.

What the people of Canada want to know is what policy is this country going to follow, what commitments have been made, why have they been made, to what extent are they going to be implemented, what does it mean in terms of Canada's future and what does it mean for the peace of the world.

We in the New Democratic party believe that the No. 1 issue facing the world today is how can we prevent a nuclear war. For the first time in his long history man has it within his power to destroy himself. Throughout the centuries we have fought wars that have killed people in their thousands. Two recent wars killed people in their millions, but when the first atomic bombs were dropped on Hiroshima and Nagasaki a new age was born. Mankind has slowly awakened to the fact that man now has within his hand the power to destroy civilization and even life on this planet. It is estimated that the United States and the Soviet union between them have stockpiled sufficient nuclear missiles to have the explosive equivalent of 50 tons of t.n.t. for every man, woman and child on the face of the earth, and when military men speak of the need for a nuclear deterrent surely there can be no gainsaying the fact that we have such a deterrent, a deterrent of terrifying magnitude.

We in this party believe that all Canada's energies should be directed towards preventing a nuclear holocaust, and to lose sight of

that fact in the intricacies of discussing military estimates could be disastrous. This basic fact should be the cornerstone of our foreign policy and all our decisions, all our programs, expenditures and energies should be founded on the determination to contribute to man's desperate quest for peace.

The second thing the New Democratic party sets forth is that we believe that the No. 2 problem is to prevent the spread of nuclear weapons. The world's best hope lies in persuading the two great nuclear powers, the United States and the Soviet union, to reach some agreement fast regarding the cessation of nuclear tests, both for the sake of the health of the millions of people now living as well as for future human survival. Second, to negotiate a treaty for nuclear disarmament under international inspection and control. Everyone knows that will not be an easy task, but in recent days there have been some signs that give reason for hope and optimism. We maintain that the proliferation of nuclear weapons will make this task more difficult, if not impossible. Reaching some viable agreement between the two major nuclear powers has proven long and difficult, but every addition to the world nuclear club will only compound and multiply that difficulty.

We maintain that Canada's best contribution to the peace of the world consists in refusing to acquire nuclear weapons for Canada's forces either at home or abroad. For Canada to become a nuclear power, no matter under what pretext, is to invite the growth of the world's nuclear club. If Canada accepts nuclear weapons from the United States, that country will be under pressure to make the same weapons available to its friends in Europe and in Asia, and eventually in Africa. In turn the Soviet union will be under pressure from its friends to supply nuclear weapons to the countries with which it is allied. Every addition to the nuclear club increases by geometric progression the danger that some irresponsible megalomaniac will press the button and precipitate the world into a nuclear holocaust. It is difficult enough to persuade the two major powers to reach some acceptable agreement for nuclear disarmament. How much greater—nay, impossible—will be the task when 15 or 20 nations have a nuclear capacity at their disposal.

While we all hope that there will be no outbreak in Europe, we must remember that this is always a possibility. If that unfortunate eventuality should take place, then it is imperative that we contain it. The use of nuclear tactical weapons would make this virtually impossible, because it would lead automatically to the full scale use of strategical nuclear weapons. Almost every military authority in the world—in the western world at least—has now abandoned the theory of limited nuclear tactical warfare.

Mr. Chairman, I would like to just look for a moment at the policy which the government has followed in respect of this question. In my opinion the government has never been either frank or fair with the people of Canada. Apparently they made commitments in 1959 to acquire nuclear weapons which they knew would be worthless without nuclear warheads. They were either wasting public funds or they intended to acquire nuclear warheads for the Bomarcs, the Voodoo planes, the Honest John rocket artillery and the CF-104's. Instead of telling the people frankly that they intended to acquire nuclear weapons, they played this game of, "Now you see it; now you don't".

The Minister of National Defence and his public relations staff have ground out propaganda telling the Canadian people that our military forces simply cannot carry on without nuclear weapons. At the same time the Secretary of State for External Affairs has gone about making excellent speeches giving reasons why we should not acquire nuclear weapons. This has been a government with two voices. While I am not questioning the sincerity of either minister, I would say that after listening to them it was always difficult to believe that they sat in the same cabinet or that they were members of the same government. If they do not intend to acquire nuclear weapons, we should know why they are continuing this inexcusable waste of public funds. I am told that only a few of the CF-104's, or Starfighters, as they are called, have thus far been delivered, but I understand that the government has contracted for the acceptance of 200 in all. Without nuclear warheads, General Norstad says, these have little military value, yet we keep on spending money despite changing military concepts that make nuclear strike 'planes less valuable. If the Skybolt, which the British are now planning to discard, is nearing obsolescence, it would seem that this would be even more true of the CF-104. We have a long list of 'planes, such as the Vampire, the Starjet, the CF-100, and the ill-fated Arrow, on which the Canadian government over the years have spent hundreds of millions of dollars of the taxpayers money.

I say that the government's policy on the question of nuclear arms has been one of indecision and timidity. They have followed the policy of "nuclear arms if necessary, but not necessarily nuclear arms", which has a familiar ring in Canadian political history. They have never yet, however, defined what is meant by the word "necessary". I assume

that probably the public relations experts, past and present, will watch the Gallup poll and decide when they become "necessary". I urge the government to come out from behind this smokescreen of double-talk and take a stand. I say to the government: If you have made a mistake in giving commitments, then be honest and renegotiate those commitments both in NATO and in NORAD. The Canadian people will forgive you if you have made an honest error in judgment. But they will not forgive you if you make a transparent attempt to deceive them by refusing nuclear arms with one hand and buying them with the other.

I agree with the fine tribute which the Secretary of State for External Affairs paid this afternoon to Canada's contribution on the disarmament committee of 18 and to the splendid work which has been done by General Burns. If we have followed closely the deliberations of that committee I am sure we have all been proud of the extent to which the representatives of the eight non-aligned nations have looked to Canada in many instances to speak on their behalf. I think this is one of the finest tributes that has ever been paid to Canadian integrity and Canadian diplomacy. But I want to say to the minister that the moral influence which Canada now exerts in the disarmament committee will be very seriously impaired the day Canada becomes a member of the nuclear club. It is well to remember Emerson's words, "What you are speaks so loudly I can't hear what you say".

May I make just a passing reference, Mr. Chairman, to the position of the Liberal party on this question of nuclear arms. The leader of the Liberal party has now committed his party to the acquiring of nuclear arms, and did so in a speech on January 12 at York-Scarborough Liberal convention. The talk of negotiating out afterwards was, in my opinion, just a sedative for the more disturbed members of the party who were protesting. This new Liberal policy was made without consultation with the membership of that party and represents a complete about-face from the position which the Liberal party took prior to the last general election.

At a Liberal rally in the city of Ottawa—

The Chairman: Order. The hon. member for York Centre is rising on a point of privilege.

Mr. Walker: Mr. Chairman, on a question of privilege, the speaker mentioned what happened in a Liberal caucus.

Mr. Douglas: I did not mention a Liberal caucus. I talked about the York-Scarborough convention which was reported in the press. I said nothing about a Liberal caucus. I can assure my hon. friend that I have never quoted anything about a Liberal caucus. I have never been to one and I have no expectation of ever being at one. We have one representative there now and that is enough.

Some hon. Members: Oh, oh.

Mr. Argue: Don't cry, Tommy; you'll never make it.

Mr. Douglas: One does not have to strive to make it; one just backslides into it.

Mr. Argue: That is not how you got out of Regina.

Mr. Douglas: Mr. Chairman, before I was interrupted I was in the process of quoting the leader of the Liberal party in a statement he made at a Liberal rally in the city of Ottawa in January, 1961. The press quotes him as saying:

> We should not acquire nuclear weapons under any kind of national or joint control.

The Toronto *Star* of November 10, 1962 says as follows:

> Canada should renegotiate her commitments with NATO to take a non-nuclear role in the western alliance, Liberal Lester B. Pearson said yesterday. He told the Canadian committee for nuclear disarmament that Canada could negotiate for a non-nuclear role in NATO and still fulfil all her obligations to that alliance.

So I am saying that the position now taken by the Liberal party is a complete about-face. Every party, of course, has a right to make an about-face, but I am simply putting on the record that this is the case.

Mr. Gregoire: It is not the first time though.

Mr. Douglas: I want to point out that the Liberal position is completely without logic when they say, in effect "We do not want nuclear weapons, but since we are committed to accept them then we should take them and then try to renegotiate ourselves out of them". Why not negotiate ourselves out now? What, in effect, the leader of the Liberal party is saying is that we should sign a bilateral agreement. We should train personnel in the use of nuclear weapons, knowing all the time we are doing so that we are going to renegotiate ourselves out the moment the ink is dry on the paper.

Mr. Woolliams: Isn't that terrible.

Mr. Berger: It is stupid.

Mr. Knowles: It is Liberal.

Mr. Douglas: Neither the leader of the Liberal party nor anybody else has given us any convincing reason why having these nuclear weapons would favour the cause of peace. On the contrary, all the arguments

given by the Leader of the Opposition in his speech at the York-Scarborough convention lead logically to the opposite conclusion. Really the only reason he gave why Canada should accept nuclear weapons was because we were committed to accept them. Does this apply to all the other commitments made by a Conservative government? If it did, then there is little use in the Leader of the Opposition's trying to change the government. The President of the United States, President Kennedy, did not hesitate to renegotiate the agreement with Great Britain on the Skybolt when he thought this would be beneficial.

Acceptance of nuclear weapons by Canada is not a condition of our membership in NATO, as is evidenced by the fact that Denmark and Norway and some other countries have not accepted nuclear weapons. Rather than nuclear weapons giving us greater security, the evidence is all the other way. The United States nuclear deterrent is estimated to be five times as great as that of the Soviet union. Even Great Britain's tremendous expenditure on nuclear weapons has given her only 2 per cent of the west's nuclear deterrent. Canada's contribution, therefore, to the west's deterrent would be insignificant militarily, but it would do tremendous harm in proliferating the acquisition of nuclear arms and would therefore far offset any military value which might accrue.

I am sure many hon. members are familiar with Henry A. Kissinger, who has for many years been the chief proponent in the United States of the use of nuclear arms and nuclear strategy. It is rather interesting that in the July 1962 issue of *Foreign Affairs* he has written an article on this question. I shall ask the committee to bear with me while I read just a very short excerpt from it. Mr. Kissinger said:

> The present deployment of NATO's nuclear capability represents an anomaly in terms of current NATO doctrine. Nuclear weapons and delivery systems for technical use have been placed in Europe in considerable numbers. Yet deputy secretary of defense Gilpatric has rejected the notion of tactical nuclear war.

Then he quotes Gilpatric as saying:

> "I, for one, have never believed in a so-called limited nuclear war. I just don't know how you build a limit into it once you start using any kind of a nuclear bang".

Then Kissinger goes on:

> And this view seems to have been reinforced by secretary McNamara at the NATO ministerial meeting in Athens.
>
> At the same time, secretary McNamara has insisted that in case of general war our strategic forces are alone sufficient to perform any nuclear mission.

Then he quotes McNamara as saying:

> "There is no question but today our strategic retaliatory forces of bombers, missiles and Polaris are fully capable of destroying Soviet targets, even after absorbing an initial nuclear surprise attack".

Kissinger winds up this part of his argument by saying this:

> In these terms, the nuclear establishment on the continent is both dangerous and useless. It is dangerous because it may make inevitable the limited nuclear war both Mr. McNamara and Mr. Gilpatric have declared is certain to escalate. And it is useless because it will merely duplicate attacks on targets already covered by our strategic forces.

Therefore the whole idea, which I understood the hon. member for Red Deer to expound, that you can make a differentiation between tactical nuclear weapons and strategic nuclear weapons, and that you can have a limited tactical nuclear war, has now been abandoned by nearly all of the military experts today, men like Kissinger, John Strachey, the former secretary for war in the British government, John Gellner, and many others.

We believe that Canada should not accept nuclear weapons. We believe that as far as NORAD is concerned this was designed to meet the threat of attacks from manned bombers. But today manned bombers are no longer the real threat. Intercontinental ballistic missiles and nuclear missiles from submarines are the growing danger. Against these there is no defence other than the threat of the massive deterrent. We believe that the warning systems should be retained as long as they have any value but that nuclear warheads for Bomarcs have no military value and would lessen Canada's position in promoting nuclear containment.

In so far as NATO is concerned, we note that even the United States authorities are veering away from stressing the value of nuclear tactical weapons. These were thought of in the first instance as a means of gaining time during the period when the Soviet union had a preponderance in conventional forces; I refer to gaining time until the United States could build up its technical and strategic nuclear arsenal. As the Secretary of State for External Affairs pointed out this afternoon, that arsenal is now so great that the United States has a tremendous preponderance. It is significant that the nuclear missile bases in both Italy and Turkey are being dismantled and that the real defence now will be the use of the I.C.B.M. missiles and the Polaris submarine.

The two great dangers of tactical nuclear weapons in the hands of NATO forces is summed up in the two terms now used by the military, namely escalation and proliferation. As to escalation, the military authorities recognize that the concept of a limited nuclear action is no longer accepted. They recognize

the fact that kilotons on the Elbe would mean, in a matter of days or hours, megatons on the Volga and on the Hudson. This is why President Kennedy has been stressing the fact that conventional forces should have increasing importance in NATO and that the use of conventional forces would provide a "pause" during which it might be possible to contain the conflict before resorting to the ultimate strategic nuclear deterrent.

The other danger is the danger of proliferation.

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

Some hon. Members: Continue.

The Deputy Chairman: I presume he will receive unanimous consent to continue his speech. Is it agreed?

Some hon. Members: Agreed.

Mr. Douglas: Mr. Chairman, I thank hon. members for their indulgence. I can assure them that I will try not to impose on their generosity.

Even military authorities are becoming increasingly concerned about the difficulty in controlling tactical nuclear weapons when they get into the hands of a number of nations. The Nassau declaration is the outcome of a struggle between, on the one hand, the United States which desires to keep control of the nuclear deterrent, and on the other hand, certain European leaders who are recklessly pressing for independent nuclear capacity, not for military reasons but in order to bolster an outmoded concept of national prestige.

I have serious doubts about the safety of having 15 fingers on one trigger, but I have no doubt about the fact that 15 fingers on 15 separate triggers would mean disaster for mankind. We in the New Democratic party believe that any proliferation, whether to independent nations or to NATO as a multinational nuclear power, would add immeasurably to the danger of nuclear war and should be resisted.

We in this party believe that Canada should have a positive program for peace consistent with the type of contribution which we can best make toward establishing collective security in the world. Canada cannot divorce itself from the world in which it lives. Canada's foreign policy should not be a neutralist one. The program of the New Democratic party drafted here in the city of Ottawa in our founding convention stated as follows:

> In the struggle between democracy and totalitarianism, Canada cannot evade its responsibility; it must always stand squarely on the side of freedom and with the genuine forces of freedom.

Our policy cannot be one of pacifism. A refusal to fight is no guarantee of immunity from attack. In the world community, just as in the local community, there will always be those who, from a desire for personal gain or a lust for power, will resort to banditry. The present dispute between India and China is a glaring example of the fact that even an unprovocative nation is not free from aggression.

Canada's policy, it seems to me, would be unrealistic if we were to advocate unilateral nuclear disarmament. In the present nuclear stalemate it is merely wishful thinking to suggest that either of the great nuclear powers should discard their nuclear weapons unless they can be assured of an effective system of inspection and control under which they will be guaranteed that while they are disarming, the other party to the agreement is doing likewise.

Canada's role should be to work for a system of collective security under the United Nations. Regional alliances must never be regarded as a substitute, and even when they are necessary they must be considered as a temporary expedient pending the development of a world authority clothed with the necessary power to keep the peace. This situation cannot be brought about overnight and cannot be whistled up out of nothing. It will involve using all our influence to strengthen the United Nations in its various activities. For years public men have talked about establishing a permanent international police force. Yet after 18 years we have not yet attained this objective.

The United Nations has had more success in putting out "brush fires" than many of its detractors had anticipated. Suez, the Egyptian-Israeli war, the present conflict in the Congo and the Cuban episode all gave evidence of the fact that, when solidly backed by world opinion, it is possible for the United Nations to take police action to stop the spread of military conflict. I would draw the attention of the committee, however, to the fact that these police actions have been taken with conventional military forces and it is here that Canada could play its most effective role by offering to make its military forces and equipment ready and available for a permanent international police force.

Canada should use its influence to remove some of the tensions that are likely to provoke military conflict. We should seek military disengagement in central Europe along much the same line as that followed in the case of Austria. We must seek a solution to the Berlin situation and the eventual

signing of a German peace treaty. It is 18 years since the war ended and until some agreement is reached Berlin will continue to be a powder keg that can explode at any minute. Canada should make it clear that we will work for the right of self-determination for all peoples but that we are not prepared to lend ourselves to military adventures to satisfy the illusions of grandeur which seem to have taken hold of some of our allies in recent months and years.

In conclusion I want to say that Canada can make a much greater contribution to the positive programs for peace that are so urgently needed throughout the world. Today we are spending about $1½ billion per year on defence, much of it for equipment which is already obsolete, but we are contributing less than one twentieth of that amount for programs like the Colombo plan and in providing help for underprivileged and underdeveloped countries. Canada is not a great power in military terms or in the size of our population. Our military contribution is relatively unimportant in the sum total of military forces as they exist in the world today, but in terms of economic aid Canada can play a role out of all proportion to its population and size.

Food is one of the most important weapons in the arsenal of democracy. The New Democratic party at its founding convention endorsed the idea of having Canada contribute 2 per cent of its gross national product to assist underdeveloped areas. This would mean an expenditure of $700 million to $800 million a year to provide food, consumer and capital goods, medical supplies and technical personnel, which in our opinion would do more in the long run to remove the causes of war and to promote peace than the purchase of a few atomic weapons which would simply be added to an already dangerously large military stockpile.

The 17-man committee of economists which the United Nations appointed to look into the economic problems arising out of disarmament have made an interesting report. They state that all the nations of the world for which statistics are available, are now spending $120 billion a year on defence and are employing 50 million people in their armed services and defence industries. They estimate that if we could turn this money and manpower to peaceful uses we could raise the living standards of the people in every part of the world. We could banish hunger, disease and ignorance. It is in this war against man's age old enemies that Canada can play her most effective role.

I believe that the people of Canada would respond to such a challenge. I am sure there are thousands of young Canadians who would gladly enrol in a Canadian youth service as teachers, nurses, doctors, social workers, engineers and scientists to represent Canada in helping to raise living standards and improve living conditions of people in the underdeveloped areas of the world.

This afternoon the Secretary of State for External Affairs said that there is a longing for peace in the world. I believe he is right. I believe that in every country of the world the people are tired of war and they are tired of living in a balance of terror with the threat of the nuclear bomb hanging over their heads. I believe that in many ways the people of the world are ahead of the statesmen of the world in their anxiety for peace. I believe that the Canadian people are waiting for the government and for this parliament to give a lead to show them how we may work together to promote peace in the world. I submit that this country is waiting to see whether or not we are capable of giving that leadership and whether or not we have the capacity to match the greatness of the times in which we live.

Mr. Wahn: May I ask the hon. member whether he is prepared to tell the house if he is or is not in favour of Canada remaining in NORAD and NATO?

Mr. Douglas: Mr. Chairman, I think I answered the first question. I think that Canada should terminate its agreement under NORAD in so far as supplying Bomarc missiles and Voodoo interceptor planes is concerned, because they no longer have any function in a military sense, and that we should stay in that agreement in so far as supplying warning systems is concerned as long as they have any value. With reference to NATO, I believe we should stay in NATO. I believe that NATO has a function to perform until such time as the United Nations is strong enough to give us the collective security which the world so greatly needs. But I point out that membership in NATO is not conditional upon our accepting nuclear weapons, and that we have a conventional role which we can play in NATO and in the United Nations.

Mr. Macquarrie: Mr. Chairman, we have now had the volleys from the heavy artillery on all sides of the field and I will introduce something of a lighter calibre. The discussion has been a very interesting one so far. I always enjoy hearing from my good friend, the member for Essex East. We have had some good times together. I have a high regard for his ideas, except when he talks about partisan politics, and the only thing that worries me is that he has such a proclivity for talking about partisan politics.

I was interested too in the statements of the other preceding speakers. I think the hon. member for Red Deer is right, of course, when he injects what we must in a country like this always inject, the question of morality in the whole field of international politics as indeed in national politics. There were times, however, when I thought that perhaps the hon. member for Essex East injected partisanship a little too deeply, sharply and unnecessarily. I quite agree with him that Canada has in general looked upon the field of external affairs with a bipartisan approach, although I suppose out of respect to other parties I should say a multipartisan approach. When I was a student and should have been studying I had the opportunity to sit in the gallery of the house and hear external affairs discussions when the hon. gentleman's party was in power in those unhappy days behind us, and I remember that generally there was a transcending of partisanship. I deplore the fact that he discussed in somewhat critical and perhaps cynical terms the position of the Secretary of State for External Affairs. At one time, he invoked indecision, and I thought at the time that was a very dangerous subject for a man in his party which has been noted for its gyrations and inauguration of changes in policy over the past few months.

He did refer to the minister's interview on television, and I looked up the transcript after the hon. member referred to it. I noted that in the very opening statement, the minister said this:

> Canada always has stood by her friends, and of course Americans are our friends and we are standing by them.

On the same page of the transcript in answer to another question, the minister said:

> We are friends of the United States and we are standing beside them.

This, I think, was an explicit and definite statement. I listened to that interview and I remember, I think we all remember, that was a grave night indeed, the night of October 22. When the minister was asked if he would spell out the gravity of the situation, and he was asked these questions:

> Should we start putting watercans in our basement?
>
> Should we start making plans to get out of town?

If this minister, in possession of confidential communications from governments all over the world, had at that time said anything to augment or increase panic in the country, I should think he would not be properly discharging the duties of the high office which he holds.

My hon. friend mentioned another subject on which he and I share views, that is the membership in the organization of American states. I may say that when his party was in power I was enthused about that and I wondered to myself time and time again why he had not seen that action was taken along those lines. I know and he knows that this government has brought us closer to that very important Latin American world than his government ever did. We are today represented in every single state in Latin America. We have attended inter-American conferences. We have developed contacts with these people which are extremely valuable. I quite agree with the hon. member for Red Deer that the people of Latin America and these important nations to the south with their great problems, their great prospects and possibilities, are worthy of the utmost consideration.

I heard a great international statesman say not long ago that the problems of today which would become most important tomorrow in their development and fulfilment lie with those people below the equator, and the Latin American area is a very important part of that particular set of problems.

I think, too, it was a bit unfair to suggest that the minister had overstated his optimism in the field of disarmament. He has not, through his long political career and his highly successful diplomatic career, been given to overstatement. He has not gone in for excessive optimism. Like the President of the United States, he pointed out today that these strains which may appear within the communist world are not fractures. We all know that the disagreement which interests us would appear to be a disagreement over means and not ends. As the president, that great statesman, said the other day, a dispute over how best to bury the free world is no cause for western rejoicing.

I would say, too, that while the minister during his career has not been noted for excessive optimism he has not been noted for excessive pessimism either. World statesmen have time after time paid tribute to the tenacity with which he held to hope for disarmament. We all pray and hope that these hopes will be realized. He does not, I am sure, claim it alone nor does Canada claim it alone, but down through the course of these difficult and trying negotiations there has been one constant thing and that has been the unyielding determination of Canada to say we shall not give up; we will continue with this great world problem.

There are many aspects of Canadian foreign policy, Mr. Chairman, which are worthy of reflection by this house. In the time at my disposal this evening, I should like to discuss one of those which is very close to my heart and which I believe is becoming more and more meaningful to the people of Canada. I refer to the United Nations and our membership

and role therein. I have had the honour of representing Canada at four general assemblies of the United Nations. This past session, just concluded, struck me as one of the most constructive of these important international gatherings. It seemed that there was a diminution of tension, and lessening of power politics which sometimes makes difficult the day to day progress which is such an important part of an organization which endeavours to make progress on so many fronts.

I believe that in Canada the strain of cynicism is disappearing. We have had people, publicists and others, who believed the United Nations was more a talk shop, that nothing was accomplished, that there was a great disparity in power among the members, that there was not sufficient realism in its construction. I believe the accomplishments of the United Nations in recent years, and they have been enumerated by preceding speakers, have convinced Canadians and others that this great body is in truth the hope of the world as the idealists always said it was. The past session has seen the coming to fruition of a number of projects which had seemed to be discouraging.

One thing which caused great rejoicing, I think, was the confirmation of the secretary general in his office. This great Asian statesman has done a splendid job in one of the most sensitive and difficult posts which the world could convey upon any mortal man. Canada said, from the very beginning, that we were strongly in favour of U Thant's confirmation as secretary general. The minister has referred to the success of the Congo operation and Canada's role in the advisory committee of the United Nations.

I was in the United Nations at the time of the confrontation between Mr. Zorin and Mr. Stevenson, an unforgettable moment of great tension. As has been pointed out, and something which should not be forgotten, the spokesmen for these great super powers, with their tremendous power in comparison to the other members of the United Nations, took that dispute to the very forum of world opinion, the security council. As they faced one another every seat in the security council chamber was filled with members from the general assembly. It was an unforgettable moment. The role of the acting secretary general, as he then was, was highly creditable and crowned with much success.

We are pleased too, that under the inspiration of former president Mongi Slim, the United Nations is moving forward in the direction of improving its procedures and manner of work. A very impressive committee has been set up for which I think lovers of the United Nations may entertain high hopes.

The United Nations, which began with some 50 members, has now 110. The area of the world unrepresented in the U.N. is shrinking daily. Its complexion is changing. Membership of the committees and other bodies is altering and it is necessary in the interests of efficiency to have some improvements in techniques. Indeed it is almost necessary to have an extension to the very physical facilities. These, which once seemed to be so ample, now often appear to be overcrowded.

Mr. Chairman, we in the context of this debate are of course interested in the performance of the Canadian delegation at the United Nations. I was very proud of the way the Canadian delegation performed. There is something extremely humbling to be at an international organization and note on every hand the high respect in which Canadians are held. I think it is humbling because it is quite a challenge to measure up to the tremendous responsibilities constantly put upon Canadians, especially in the U.N. context. We are a charter member of the U.N. I suppose, if one looked back over the whole history of resolutions, Canadians have been co-sponsors or sponsors of more resolutions than any other country.

The Canadian point of view is constantly sought. We have served on all sorts of peace making missions and I think it could be said that this very day Canadian personnel are performing peace keeping operations all over the world. It is something which should cause us pride. At the same time it should cause us some humility because it is a heavy challenge.

Canada took a great many initiatives in the last assembly. One of these dealt with the question discussed by the hon. member for Burnaby-Coquitlam just a moment ago. The world food program became fully operational on January 1 of this year. As is known, Canada has taken an active part in the establishment and development of this program, beginning with the Prime Minister's proposal to the United Nations general assembly in September, 1960.

This program will provide assistance by means of foodstuffs in three major fields. It will meet emergency food needs and emergencies arising from chronic malnutrition. It will give assistance in pre-school areas and implement pilot projects, using food as an aid to economic and social development.

Since the idea for a world food program was launched events have moved swiftly. In the last few months a pledging conference has been held at which approximately $88

million in commodities, cash and services were pledged. Canada's pledge totalled $5 million in commodities and cash. An intergovernmental committee, of which Canada is a member, has now been established and has prepared a work program. This, I may say, putting it very simply, is one of the concrete moves in the direction of a better world.

Canada also played a major role in the very serious question of radiation. We would be ill-advised to become so sophisticated that we lost our concern and indeed our fear of what is happening to the atmosphere. Canada moved, and was supported magnificently by the other members of the general assembly, to set up a world organization for the dissemination of information on the harmful effects of radiation and to galvanize world opinion regarding those harmful effects.

I mention some of these things because the hon. member for Essex East was asking about new steps. Canada's initiative in the second committee dealing with international economic relations, and in the conference on world trade development, was a most impressive and most successful one, and great credit is due to Senator Blois who was our representative there, a worthy maritimer who naturally did a most excellent job. There were many, many days when differences were quite acute as to when the conference should be held, how it would be held and who should be involved, but these serious differences have been ironed out and it is now set that the meeting will be held not later than 1964.

The Canadian hope is that after careful preparation the conference will achieve positive proposals for the expansion of trade, particularly by the developing countries, and on December 20 Canada was elected a member of the preparatory committee which will begin its meetings in January. Once again this country, which some would have us believe is ill regarded in the international community, was chosen to take part in the planning of this important job.

Another problem which has been facing the United Nations for some time and is becoming increasingly acute is the very mundane problem of finances and how to keep the organization solvent. In this field through the fifth committee the Canadian delegation was extremely active and I am glad to say extremely successful. We called for an appeal to the international court in respect to the question of members' obligations regarding the very costly peace keeping operations in which the United Nations is now engaged. Canadian acceptance of the court's decision was naturally forthcoming, and through our efforts in the fifth committee steps have been taken which look very hopeful in respect to establishing a sound basis for the financial operations of the United Nations. In connection therewith there comes into our minds what looks to be the happy solution of the vexatious Congo problem.

The United Nations general assembly has seven committees operating for a period of three months and so, Mr. Chairman, it would be quite a simple thing for one to carry on for a long time discussing briefly but a very few of these important avenues of goodwill and important overtures to a better and more peaceful world. In the assembly the Canadian delegation made strong reference to a subject which has been mentioned by the hon. member for Essex East, the question of Soviet colonialism.

It is recalled that a strong statement, which drew tremendous attention not only in Canada but elsewhere, was made by the Prime Minister in September 1960, and I would point out it was made in the presence of Mr. Khrushchev himself. Since that time the present government has dealt with that very important problem with consistency and persistency and has spoken out very strongly on a subject which should have been spoken on with greater strength long, long ago. It is just a little bit difficult to take when one hears the Soviet union constantly denounce the United Kingdom and France on their colonial records; but last year, before the general assembly, Canada suggested that the light of public opinion be thrown on the dark areas of tyranny within the Soviet union. That was a strong statement of which Canadians may be very proud. I do not know whether or not the hon. member for Essex East will be pleased to hear this—I am sure he will, really—but I happened to be the spokesman for the government on that occasion and the number of Canadians from all over this country who praised the speech and who reiterated the approval they had given the Prime Minister in opening the subject so strongly in 1960 brought joy to my heart.

Miss LaMarsh: He didn't open it.

Mr. Macquarrie: I may say to the hon. lady that I have examined very carefully the records of the United Nations, I have read the documents probably as carefully as she has, and I say that the strongest statement ever made on this subject was made by the Prime Minister of Canada in September, 1960.

Miss LaMarsh: Mr. Chairman, may I inquire of the hon. member whether he will admit that what the hon. member for Essex East has said is perfectly correct; that what in fact the present Leader of the Opposition, then the secretary of state for external affairs, said on that and previous occasions was in

the same vein as the speech made by the Prime Minister, that much noted speech, and in fact what the Prime Minister said was only following along with what the Leader of the Opposition had previously said, although perhaps the hon. member may believe, because of his personal bias, that it was better said by the Prime Minister.

Mr. Macquarrie: I may say, Mr. Chairman, that I have listened to a great many speeches in this house and I have always been able to contain myself until they were finished before asking a question, even those delivered by the hon. lady. There is no doubt that the speeches to which she referred were in the same vein and dealt with the same subject. But perhaps she should read the whole speech. I say that this subject was opened up by the Prime Minister and that a persistently strong stand has been followed. If she wants to read the international comment on this, I invite her to do so. I very much deplore an interjection of partisanship into a discussion of foreign affairs. I would say, if I could presume to advise a man much older and more experienced than myself, that if the hon. member for Essex East is desirous of scoring a point against the Prime Minister of Canada—and no doubt he is—then he is not on very good ground, even in political terms, in dealing with this particular question, because the Prime Minister has been noted for his stalwart and outstanding championing of the very subject matter with which we are dealing, and I do not think any charge of insincerity would stick very well.

Some hon. Members: Hear, hear.

Mr. Macquarrie: I think we should look upon this whole subject as one in which Canadians might find cause for common action and common appraisal, rather than seeking to find avenues for disagreement and the scoring of political advantage. I am not one who would ever suggest that the discharge of Canadian foreign policy did not bring distinction to Canada in the days before the present government took office. Naturally I would not say such a thing if I did not think such a thing. I will say this, that it ill-behooves any Canadian to draw comfort from the suggestion that our country's prestige today is not shining and bright, because that is exactly the situation in which it stands. I have had an opportunity to see Canada in international scenes and I have heard this tribute from all sides. As a Canadian I take great pride in that fact.

Mr. Berger: Mr. Chairman, may I ask a question of the hon. member who has just resumed his seat? Could the hon. member tell us why he has declined in his speech, which I take it was made as a spokesman on behalf of the government, to discuss the most vital issue that now faces this parliament; that is, whether Canada should acquire nuclear weapons, and the government's stand on that issue.

Mr. Winkler: Make your speech when the time comes.

Some hon. Members: No answer.

Mr. Pearson: Mr. Chairman—

(Translation):

Mr. Gregoire: Mr. Chairman, I rise on a point of order. Would the house consent to General Norstad sitting beside the Leader of the Opposition while the latter delivers his speech?

(Text):

Mr. Pearson: Mr. Chairman, that intervention represents the level of intelligence of the hon. gentleman. With regard to General Norstad, I may say that I would rather have General Norstad, a NATO commander and therefore a servant of Canada, sitting beside me than Mr. Hitler or any of his henchmen.

It is a minute before ten o'clock, Mr. Chairman, and I wonder whether I would be trespassing on the indulgence of the house if I asked it to be called ten o'clock?

Some hon. Members: Ten o'clock.

(Translation):

The Deputy Chairman: Order. It being ten o'clock, shall I rise, report progress and request leave to sit again at the next sitting of the house?

(Text):

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, may I inquire from the house leader what the business will be for Monday and next week, as it was promised by the acting house leader last evening?

Mr. Churchill: The business for tomorrow will be a continuation of the discussion on the estimates of the Department of External Affairs. I will announce tomorrow the business for Monday.

Mr. Hellyer: Give us a little bit of a break.

Mr. Churchill: I am giving the Liberal party and the New Democratic party time to think over how they propose dealing with the estimates.

Some hon. Members: Order.

Mr. Pearson: You had better do a little thinking yourself. You may have to do a good deal of squirming.

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

HOUSE OF COMMONS

Friday, January 25, 1963

The house met at 11 a.m.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF SPEAKERS OF PROVINCIAL LEGISLATURES

Mr. Speaker: Before the commencement of today's proceedings I would crave the indulgence of members of the house to draw their attention to the presence in the Speaker's gallery of distinguished visitors to this house. They are the Speakers, or their representatives, of the provincial legislatures of Canada, who are gathered here for a two day conference under the chairmanship of your own Speaker in the area council of the Commonwealth Parliamentary Association. I am sure that on your behalf I can extend to them, coming from the various provincial capitals, a most hearty welcome to the nation's capital and say that we wish them well.

(Translation):

I should like to call the attention of the house to the presence in the Speaker's gallery of a delegation of distinguished visitors. Among them, we find the Speakers, or their representatives, of all Canadian legislatures, who are meeting at a regional convention of the Commonwealth Parliamentary Association.

It goes without saying that I readily act as spokesman for all hon. members to welcome our visitors and to wish them an interesting and enjoyable stay in Ottawa.

(Text):

TABLING OF INTERNAL ECONOMY COMMISSION REPORT ON SALARY INCREASES

Mr. Speaker: I also wish to announce that the commissioners of eternal economy—

Some hon. Members: Oh, oh.

Mr. Speaker: —or rather internal economy of this house I should say—perhaps the wish was father to the thought in that slip—have examined the salary schedules of the employees of this house and in conformity with the pay increases granted recently to certain groups in the public service of Canada the commissioners have redrawn the schedules and have granted pay increases to certain groups of house employees. For the information of the members, I wish to have leave to table copies of the salary revisions in English and in French.

Some hon. Members: Agreed.

[*Later:*]

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Can he say whether the report of the commissioners of internal economy, which provides for pay increases to certain groups of employees of the House of Commons, includes all employees of the house, or whether some groups have been left out?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, the board of internal economy has reviewed the salaries of all employees of the House of Commons.

Mr. Knowles: Mr. Speaker, may I ask a supplementary question. Were all the employees given increases?

Mr. Nowlan: Mr. Speaker, I believe the hon. member can read. You have tabled the report, and I suggest that he find out. There are several hundred of them, and I cannot recall all the details.

Mr. Knowles: The answer is obvious.

Mr. Fleming (Eglinton): Why did you ask the question then?

CANADIAN CENTENNIAL

REPORT ON ORGANIZATION OF NATIONAL ADMINISTRATION

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, some weeks ago the hon. member for St. Lawrence-St. George asked me for a report in connection with the centennial administration. I realize his interest, he having been connected with the Canadian centenary council, as he still is. At the time I said that in time appointments would be made, and now I wish to make a report in connection with this question.

On several occasions I have made statements to the house about the preparations for honouring Canada's centennial of confederation. These reports have been in the nature of progress reports. As the house knows, the National Centennial Act provides for a national centennial administration to carry out the national government's part in the planning of Canada's first century of confederation. The centennial administration is not intended to override or duplicate any existing agencies or departments of government. It is not established to tell Canadians

how centennial celebrations should be conducted. It was set up to co-ordinate, to stimulate and to assist in certain specific circumstances the furtherance of this historic event.

The real success of the centennial will rest not with the plans of the government of Canada or of the provinces but will depend on the vital role of each community and every citizen. Each community, in its own way, through its own organization, can contribute toward making the entire year of 1967 something to be remembered. This is a time when every Canadian can learn more about the richness of the heritage of our country and the promises of the next century.

I am glad, and I know all hon. members in all parts of the house appreciate, that many cities, towns, villages and municipalities have already outlined their plans for 1967. I express the hope that other communities will follow their example. I do not believe that in the centennial celebrations there is any need for a centennial colossus organization at the top. The administration, the members of which I am about to announce, must ever be conscious of the local initiatives, of the needs, feelings, ideals and aspirations of the various areas of our country.

There seems to be some misunderstanding about the relations between the national centennial administration and the Canadian centenary council. The Canadian centenary council is a non-government organization; its membership represents, I think, some 270 private, corporate and other associations, their aim being to stimulate public interest in the centennial observance and also recommend policies to be followed in the national field. The Canadian centenary council elects its own directors and hires its own employees. The Canadian centenary council has been assured of the close co-operation of the government and also of the national centennial administration. Indeed, to ensure there is the closest possible liaison, among the appointments is that of the president of this organization to the board of the national centennial administration.

Questions have been asked about the relationship of the Canadian world fair and the centennial. I believe that the world fair, and I think it is so intended, should be part of and not competitive with centennial observances. Although the Canadian world fair does not fall within the jurisdiction of the national centennial administration it does provide a fitting symbol of this country's maturity at the time of her birthday party. It is part of Canada's centennial year and the government will, of course, give careful consideration to the fullest possible co-operation between the national centennial organization and the organization of the fair.

The provinces and municipalities will have programs and projects of their own. The federal government is asking parliament for funds which may be used for making grants for local projects. These moneys would be credited to a non-lapsing fund from year to year in accordance with the provisions of the National Centennial Act. They will be made up of projects of a lasting nature. They will not exceed one third of the agreed estimate of cost, and a provincial contribution is a prerequisite to a federal grant. Such grants will not be considered if a project is already receiving federal aid under other legislation. Applications with respect to assistance and aid in this regard should be made to the national centennial administration through the media of the various provincial governments.

With regard to the federal government's program on the centennial, final decisions on some problems have not yet been taken but a number of projects are under way. One of these is the "mile of living history" in the city of Ottawa, a restoration project already undertaken here by the national capital commission. A four block stretch of Sussex drive is being restored to reveal its fine appearance of the confederation era, when it was the main commercial street in Ottawa. The commission is engaged in acquiring the property affected, and this project will help to recreate the traditional route taken by the Governor General between the parliament buildings and Government House.

A second project by the national capital commission involves Victoria island and Richmond landing located on the Ottawa river, a short distance west of this house. Hon. members will recall that the Ottawa river was once the trans-Canada highway of its day. To avoid the Chaudiere falls the voyageur would portage his canoe at Richmond landing, and at some later period the logger had his lumber slide at this point. The national capital commission is acquiring this property in order to create there a replica of that era and those early days. Industrial and commercial buildings constructed in the past century will be demolished, railway lines will be removed, the timber slide will be rebuilt and typical log buildings of the era will be reconstructed.

As a third project the government proposes to establish a Canadian historical museum which will record and portray the whole dramatic story of the settlement and development of Canada from the days of the aborigines to our own day.

The government has also agreed, subject to the approval of the necessary funds by parliament, to bear half the cost of construction of a group of memorial buildings in Charlottetown. These buildings are being erected to commemorate the pre-confederation conference held there in 1864. As the house already knows, a special silver dollar is also being struck to commemorate that conference.

Apart from the projects which directly form elements of the centennial program, several others are closely related. The national library is to be completed in time for Canada's hundredth birthday as a confederation. In addition a large redevelopment project involving 150 acres, known as the LeBreton flats in downtown Ottawa, has been undertaken by the national capital commission and will be largely completed by 1967. Work was begun last year on the partial restoration of the historic fortress of Louisburg, which in its time was one of the strongest bastions in North America and an important seat of French colonial government.

I have referred to those various parts of the program which have been approved. In addition many more cultural, historical and ceremonial projects are receiving study. Further announcements will be made from time to time.

As I mentioned previously, the government has obtained the services of John Fisher as commissioner of the national centennial administration. I say no more regarding Mr. Fisher than this, that his people have been in Canada since the late 1780's, one of his ancestors was a father of confederation, and he himself has been known in many parts of Canada through the years as "Mr. Canada".

The deputy commissioner of the centennial is Robert Choquette of Montreal, a professional writer of great competence. He has published five volumes of poetry, three novels and two plays. He is the winner of the Governor General's award, the prix Duvernay, the prix de l'Académie Française and the gold medal of literature granted by the lieutenant governor of Quebec. There will be a board of directors of not more than eight.

I should mention that there is also a conference representative of all the provinces of Canada. This conference will comprise 60 representatives, 20 of whom will be appointed by the provinces and 40 by the federal government. As far as possible—and I welcome suggestions in this connection—we want this conference to be representative of all facets of Canadian life. We want the very best people possible on this conference, for on it depends, in co-operation with the officers and directors, the success of the celebrations.

The six directors outside the government are all distinguished in business and community activities. They are Mr. Hugh Mills, Halifax, a merchant; Mr. Paul Desmarais, president of the Provincial Transport Co., Montreal; George Metcalf, president of Loblaw Groceterias, Toronto; J. R. Murray, managing director of Hudson's Bay Co., Winnipeg; Dr. Norman MacKenzie, former president of the University of British Columbia and president of the Canadian centenary council; Mrs. Marianne Linnell, alderman of the city of Vancouver. The government representatives are two distinguished civil servants, Mr. Ernest Côté, assistant deputy minister of northern affairs and national resources, and Dr. John Hodgson, assistant secretary to the cabinet.

(Translation):

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I listened closely to the statement made by the Prime Minister (Mr. Diefenbaker) on the establishment of a council to supervise the organization of the confederation's centennial celebrations. That most important statement could very well have repercussions throughout the country.

My first reaction following what the Prime Minister said just now was not only to assure him that we are in favour of that council, to which we shall give our strongest support, but to congratulate him as far as some of the appointments are concerned. In saying so, I am thinking of Mr. Fisher and Mr. Robert Choquette.

Mr. Fisher we have known for some time. We are aware of his experience and great qualities. I feel sure he will efficiently discharge his responsibilities; at least, we prefer to see him in the role just assigned to him by the Prime Minister than in the one he had until now.

With regard to Mr. Robert Choquette, he is an outstanding representative of French Canada. He has made his mark in the literary and academic world. I am convinced that he will fill this post with dignity.

In my opinion, it is essential that Canada celebrate the centennial of confederation in a dignified and adequate manner.

It is necessary to do some of the things mentioned by the Prime Minister, and without going over them in detail, I think of the reconstruction of the Louisburg fortress, for instance.

I feel also that it is essential for us to see that confederation rests on solid foun-

dations when we celebrate its centennial. To achieve that aim, it is imperative to rethink, to remake the constitution as it was established in 1867.

The Prime Minister, and I remind him of this with all due respect, stated recently that we should not talk about separatism but only of unity throughout the country. All Canadians have heard that statement by the Prime Minister, but we should not forget that a movement in that direction does exist and we cannot ignore it. It seems to me that the Prime Minister is not enough in contact with some segments of the people.

That is why I was saying a while ago that a new appraisal of the basis of confederation is a must so that we may all together, properly and adequately, commemorate the centenary of confederation and that all Canadian citizens may be equal partners in that new confederation.

(Text):

Mr. Horace A. Olson (Medicine Hat): Mr. Speaker, all I wish to say is that we welcome this announcement at this time. I am sure we can all agree there is little enough time left now to make all the arrangements and plans and co-ordinate those plans in order to be ready to have a birthday party, as the Prime Minister suggests, in keeping with the importance of this occasion.

I think we in this party can, and do, give our support to the people who have been nominated to the council. We also welcome the suggestion by the Prime Minister when he invited others to propose names for the larger convention of 60. We shall give this consideration and offer some nominations, if you like, to this council. We in this party, too, hope these celebrations will do something to further the cause of the true spirit of confederation as it was outlined nearly 100 years ago.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I am sure the people of Canada are anxious to celebrate the centennial in the most outstanding way possible. It is certainly not too soon to begin laying plans at the federal, provincial and local levels. I am sure that Canadians generally will welcome the announcement made by the Prime Minister that the centenary committee is now being set up and that the board of directors has been appointed, as well as the commissioner and deputy commissioner.

I suggest to the government that in making the appointments to the council of some 60 members, 40 of whom will be appointed by the federal government, we ought to keep in mind the fact that a celebration of this kind, if it is to have any meaning, must secure the participation of a good cross section of the Canadian people, and that on that committee there ought to be representatives of farm organizations, co-operatives, labour organizations, universities, and groups interested in the arts and literature, in order that people in all walks of life will feel that they have had some part in preparing this program and in order that we may have the fullest participation and co-operation from people in every walk of life when the actual centenary is taking place.

I think we shall all look forward to the list of monuments which it is hoped will be constructed in order to commemorate Canada's centenary. However, I think we ought not to lose sight of the fact that there are intangible monuments which are equally important, and we might try to set for ourselves, on the federal, provincial and local basis, some objectives in terms of health programs, welfare programs and other things that would give to the Canadian people a sense of pride not only in brick and mortar but in the social accomplishments which they have been able to attain by 1967.

Above all, it seems to me that every effort must be made by all of us to see to it that in 1967 the true spirit of confederation has been fully established and that we do everything possible between now and then to bring about a better understanding and a better appreciation of the culture and the point of view of the two great races that make up confederation.

We in this party will do everything we can to support the government in putting into effect a program of this kind, to the end that when we celebrate our one hundredth birthday we shall be a country in which we are bound together by bonds of co-operation and mutual understanding.

HEALTH AND WELFARE

TABLING OF REPORT OF THALIDOMIDE REHABILITATION COMMITTEE

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, with the permission of the house I should like to table the report I have just received from the expert committee on the habilitation of congenital anomalies associated with thalidomide. The committee was established on the recommendation of those attending the federal-provincial conference on this subject on August 17 of last year. The committee was made up of a group of experts in various professional fields most directly concerned with rehabilitation.

At its final meeting last year, which was attended by provincial representatives, proposals were made for the techniques and principles that should be employed in the rehabilitation of children with severe limb defects. The proposals have been incorporated into the committee's recommendations, which coincide to a considerable degree with action the government is already taking. For example, one of the recommendations suggests that a short course be set up to provide training for Canadian specialists involved in this rehabilitation field, and arrangements are now being made with the child amputee centre in Los Angeles to bring a group to Toronto to provide a two week course as soon as possible. As soon as the date of this is known I shall invite the provinces to send specialists to this course. The federal government will pay the costs of presenting the course, and will share with the provinces the expenses of provincial representatives.

A second proposal is that three research and training units be developed in Canada, concerned with prosthetic services and rehabilitation for severely disabled persons. The government will seek to add $200,000 annually to the funds available under the medical rehabilitation and crippled childrens' grant to implement this proposal. The services which should be developed by this means will benefit not only children with disabilities associated with thalidomide, but others with severe disabilities from other causes.

The committee also considers that the whole problem of the training of prosthetists should be reviewed, and suitable courses established in Canada. My departmental officers are now consulting with medical educators in the rehabilitation field to determine the best way of proceeding.

The report points out that the basic components of prosthetic appliances are imported into Canada, and urges that a manufacturing potential be developed in this country. I expect that our current study of this proposal will result in satisfactory arrangements to achieve this objective very shortly.

All members of the expert committee deserve the greatest commendation on the painstaking way in which they have carried out their duties. In co-operation with the provincial authorities it is our intention to implement to the fullest extent the recommendations set forth in the report, two copies of which I should now like to table.

Mr. Speaker: The minister asks for leave to table the document to which he has referred. Has he leave to do so? Is it agreed?

Some hon. Members: Agreed.

Inquiries of the Ministry

ATLANTIC DEVELOPMENT BOARD

INQUIRY AS TO APPOINTMENT OF CHIEF EXECUTIVE OFFICER

On the orders of the day:

Mr. A. J. MacEachen (Inverness-Richmond): Mr. Speaker, I have a question for the Minister of National Revenue in connection with the Atlantic development board. In view of the fact that the Atlantic Development Board Act provides that the work of the board will be organized by an executive director, can the minister tell the house whether the governor in council has appointed the chief executive officer of the board? If so, can he give the name of this officer?

Hon. H. J. Flemming (Minister of National Revenue): Mr. Speaker, the answer to the question asked by the hon. gentleman is "not as yet".

Mr. MacEachen: Mr. Speaker, I should like to ask a further question in connection with the Atlantic development board. In view of the appointment as chairman of the board of Brigadier J. Michael S. Wardell, can the minister tell the house the salary offered to this gentleman to serve in this capacity?

Mr. Flemming (Victoria-Carleton): Mr. Speaker, the answer to that question is that the matter has not been discussed.

Mr. H. J. Robichaud (Gloucester): On the same subject, Mr. Speaker, may I direct a question to the Prime Minister. In view of the importance of the duties to be performed by the newly appointed chairman of the Atlantic development board, can the Prime Minister advise the house if this same person will be called upon to resign as a member of the Canada council?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, Brigadier Wardell has, of course, been a member of the Canada council. Through the years other people have occupied such positions as membership in the Canada council and still have been able to carry on fully whatever their other responsibilities have been.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, if I may, I should like to ask a supplementary question of the Prime Minister. Can he tell the house which minister has been designated under the act to have responsibility for the board?

Mr. Diefenbaker: Mr. Speaker, I should have announced that yesterday when I was making the announcement. It is the Minister of National Revenue. I thank the hon. gentleman for asking it.

Inquiries of the Ministry

Mr. Pickersgill: I apologize to the Prime Minister. I suffer slightly from the same disability as that from which he suffers, and I did not hear it.

Some hon. Members: Oh, oh.

An hon. Member: He did not say it.

Mr. Pickersgill: That is extremely funny.

Mr. Diefenbaker: If he had done so, the hon. gentleman would have heard something that had not taken place.

HEALTH AND WELFARE

MEASURES TO COUNTERACT RADIOACTIVE FALL-OUT

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the fact that Canada is in the worst position as far as radioactive fall-out and contamination are concerned, and as the very food of the Canadian people is affected thereby, can the minister state to the house today what is the government's policy on radioactive countermeasures, a question which I asked him last October?

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I think the hon. member made an erroneous statement to begin with, but I should like to say that the department has been making tests of radioactivity across the country. Previously I made the statement that if certain steps were necessary they would be taken. These steps are certainly not close to being necessary at the moment.

Mr. Haidasz: On a question of order, Mr. Speaker, today the Minister of National Health and Welfare alleges that I made an erroneous statement. The statement I made today is a repetition of a governmental statement made to the house yesterday by the Secretary of State for External Affairs.

Mr. Speaker: Order. That is not a point of order. I think the minister was referring to the expression of opinion contained in the word "worst".

Hon. Paul Hellyer (Trinity): I should like to ask the minister a question on the same subject. Is Canada doing enzyme research to try to find means of fortifying the human body against the effects of radiation?

Mr. Monteith: Mr. Speaker, the government is certainly studying all these problems all the time.

BUSINESS OF THE HOUSE

INQUIRY AS TO BUSINESS FOR MONDAY NEXT

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the house leader. In order to facilitate the business of the house on Monday I wonder if the house leader could indicate now what the house will be doing on Monday.

Hon. Gordon Churchill (Minister of Veterans Affairs): The normal procedure is to indicate the business of the next day at the close of the business on this day.

Mr. Chevrier: My reason for asking the question arises from the fact that on Wednesday the acting house leader indicated that it would be announced on Thursday, and as the house leader knows it was not.

Mr. Speaker: Order. An answer was given, and I think the position is clear at the present time.

(Translation):

PUBLIC SERVICE

REQUEST FOR BILINGUALISM IN ALL GOVERMENT DEPARTMENTS

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Prime Minister. Recently we learned that to ensure the success of confederation, the Department of Agriculture would be fully bilingual. Has the Prime Minister given instructions that all departments are to follow the same policy?

Mr. Speaker: It goes without saying that the hon. member should have his question placed on the order paper.

(Text):

NATIONAL DEFENCE

BOMARC BASES—SUGGESTED RENEGOTIATION OF ARRANGEMENTS WITH U.S.

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the Prime Minister. In view of the fact that the United States is renegotiating its arrangements with two NATO members, Italy and Turkey, and dismantling its nuclear bases in those countries, can the Prime Minister tell the house whether the United States has indicated to Canada that it wishes to renegotiate the arrangements it made with this country in 1959 to establish nuclear Bomarc bases in this country?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, we are discussing this question of defence at the present time; consequently answers will be forthcoming to many phases of our defence situation after the government has been able to learn the views of the members of parliament.

HOUSE OF COMMONS

REFERENCE OF RULE CHANGES TO COMMITTEE ON PROCEDURE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister? If any changes in the rules of the house are proposed at this session, will they be referred to the special committee on procedure promised in the speech from the throne?

Right Hon. J. G. Diefenbaker (Prime Minister): Yes, Mr. Speaker.

Mr. A. J. MacEachen (Inverness-Richmond): Mr. Speaker, I should like to direct a question to the Prime Minister related to the question asked by the member for Winnipeg North Centre. May I ask the Prime Minister whether his answer applies to a suspension of the rules as well as changes in the rules?

Mr. Diefenbaker: Mr. Speaker, my answer referred to the undertaking that was given and the statement made in the speech from the throne.

Mr. Knowles: Mr. Speaker, may I direct a question to the Prime Minister. Is the government, in order to avoid the necessity of getting its annual supply bill dealt with according to the rules, considering dissolution of parliament?

Some hon. Members: Oh, oh.

Mr. Churchill: Don't be so nervous.

Mr. Knowles: Is there no answer?

Mr. Speaker: Order. There is no necessity to comment on whether or not there is an answer or to insist upon an answer to any question.

FISHERIES

NORTH PACIFIC FISHERIES COMMISSION—INQUIRY AS TO RECOMMENDATIONS

On the orders of the day:

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, yesterday the hon. member for Coast-Capilano asked me a question, and on reading *Hansard* I find that I had not heard the last part of his question which reads "thus permitting the Japanese to fish for herring off the west coast of British Columbia". I want to make it perfectly clear, Mr. Speaker, that the finding of the international north Pacific fisheries commission has reference only to the stock of herring off the west coast of the Queen Charlotte islands beyond Canadian territorial waters. There is no question of Japanese being allowed to fish for herring off the entire coast of British Columbia nor in Canadian territorial waters anywhere. At the present time the finding of the commission is under study by the government.

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, I wonder whether I would be permitted to ask the Minister of Fisheries if he is prepared to meet a very large delegation of fishermen who are coming to Ottawa to discuss this matter?

Mr. Speaker: Order. I think these things can be done privately rather than on orders of the day.

(Translation):

FINANCE

RESTRICTION OF CREDIT BY BANKING INSTITUTIONS

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Prime Minister.

Recently, Mr. Rasminsky stated that our banking institutions have hindered the development of the central bank in order to restrict credit. Do the Prime Minister and his government share Mr. Rasminsky's opinion?

Mr. Speaker: Order. I should like to remind the hon. member that it is out of order to call upon ministers to comment on statements made outside the house.

(Text):

SUPPLY

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

DEPARTMENT OF EXTERNAL AFFAIRS

1. Departmental administration, $7,305,200.

Mr. Pearson: Mr. Chairman, in participating in this discussion I should like to begin by telling the Secretary of State for External Affairs how much we on this side regret that his statement yesterday was cut short by an absence of voice. I am sure he has recovered from that very temporary indisposition, and I am sure it may well be that before I have finished my remarks he will have given evidence that his voice has returned. We are discussing—and it is an unprecedented situation, I think—the estimates of two departments.

Mr. Churchill: No.

Mr. Fleming (Eglinton): No.

Mr. Pearson: We are discussing national defence policy and external affairs policy on the estimates of one department. We are discussing the subject matters of two departments on the estimates of one department, the Department of External Affairs.

Mr. Churchill: You do not have to.

Mr. Pearson: That means that our debate is divided into a debate on foreign policy and a debate on defence policy, I would not complain about that if there were sufficient time to deal with these two important matters because, of course, they are very closely related.

Every debate on defence policy, and I suppose this applies to a debate on foreign policy as well, is essentially a debate on the ultimate fate of men and of states, of their wisdom in directing the genius of our species so that it can create more than it destroys. At the present time it has created the possibility of the destruction of our planet, as was pointed out by hon. gentlemen who spoke on this matter yesterday. Foreign policy of course, Mr. Chairman, is or should be the foundation of defence policy which is designed to support it. In our country neither foreign policy nor defence policy will be strong and purposeful unless Canada itself is strong, united and resolute, and that means above all Canadian unity on the basis on which we decided it in 1867, and a strong, independent Canada.

Canadianism, Canada first if you want to call it that, must reflect this national unity. It is, of course, as is so often said and so profoundly true, not national uniformity. Canada is composed of two races, two cultures, two languages, two traditions to which have been added those of many other people which have given colour and strength to the pattern of our national development.

But there is something else, Mr. Chairman, both in foreign policy and in defence policy. The national independence which I have mentioned, most especially in the day and age in which we live, must be qualified by the necessities of interdependence. No country, least of all a country in the position of Canada, can live unto itself alone. Canada first must never mean Canada only, nor in our time has it done so. By far, Mr. Chairman, at the moment the most important of Canada's political, material and economic relationships with any other country is that which we have with our neighbour the United States, which by its power has become the leader of the free world; a country which by its policies or even by its lack of policies so greatly influences our own destiny as well as the destiny of every other country in the whole world. How we manage our relationships with our neighbour is one of the most important aspects, and in some respects is the most important aspect, of our foreign relations, of our foreign policy.

It is also a test of maturity and the good sense of Canadian nationalism, to say nothing of Canadian politics. We must, of course, stand up for our rights as Canadians. We must protect our national interests. We must speak and act firmly when those rights and those interests are threatened by American action or by the action of any other country. We must not, and we never have, become merely a satellite of any other state. But we would be pretty foolish if we tried to put ourselves alone in orbit. We must realize that a separate Canadian identity, a strong and independent Canada, does not and cannot mean either isolation or immunity. It is well to remember this while living in the shadow of the United States. It is also well to remember that, while living in the shadow of the United States has its problems and its worries for us, living without her free strength in a turbulent and dangerous world, living with a communist state as our land neighbour instead of the United States, would be a far more difficult and far more dangerous situation for us.

Perhaps it is just as well to remember also that the Soviet union, if not our land neighbour, is certainly our ice neighbour. So we do not prove our Canadianism, Mr. Chairman, but only our immaturity when we confuse the defence of Canada's rights with emotional breast beating or by criticizing whatever symbol of Americanism we think at any particular moment requires such criticism. There is more to our relationship than that. We worry not only about our general political and strategic relationships on this continent, but we worry, also and quite rightly, about United States control of so much of our industry and our natural resources. So we should, especially since it has increased in the last five years during a time when we were to be saved from this kind of domination.

An hon. Member: It started under the Liberals.

Mr. Pearson: Perhaps it did start under the Liberals. It started a long time back under both the Liberals and the Conservatives. I have some doubts about the ability of my hon. friends in the far corner to save us by their own magic nostrums from this kind of development.

In our worry over United States economic penetration, however, and any policies designed to check it—and we should have such

policies—we should not forget that United States capital has been responsible for much of that Canadian development of which we are so rightly proud and about which we boast.

Some hon. Members: Shame.

Mr. Pearson: If that shout of 'shame' means anything, Mr. Chairman, then the hon. members who make it should take steps to keep all United States capital out of our land. I wonder what would happen to our country if that were done. I wonder particularly what would have happened to the province of Alberta if that had been done. We should also remember, Mr. Chairman, that when this capital from abroad comes into our country it is subject to our laws as well as to our criticisms.

Mr. Herridge: Not always.

Mr. Pearson: It is subject to our laws. Canada makes the laws that cover Canada and activities in Canada. If we allow Canadian development to be controlled by the United States dollar, if we allow Canadian values and Canadian identity to be destroyed by the less attractive aspects of United States life and culture, this will be because we did not ourselves care enough about it to do anything effective. The fault, dear Brutus, may lie in us as well as in the stars and stripes. I apologize for my misquotation of Shakespeare in the presence of a Shakespearean expert in this house.

I hope that our worries about our neighbour, and they are understandable, will not obscure a far greater cause for worry and for fear, namely that in the world today the greatest danger of losing even the peace we have is not from American imperialism but remains from communist international imperialism with its dynamic and revolutionary aggressiveness, an aggressiveness which now seems to be centered in Peking, not Moscow. It is not the United States of America which causes us in this country to spend $1.5 billion a year on our defence.

An essential condition for a better world—one essential condition, and there are certainly others—is the closest friendship and the best possible relations between the United States and all the free democracies, including Canada. The first objective of those whom we have most reason to fear—although I hope that cause will diminish over the years and I acknowledge that there are some indications of progress in that regard—is the weakening and the ultimate destruction of such good relations between the United States and other free democracies. Therefore, Mr. Chairman, I repeat that in foreign affairs any Canada first policy must not mean isolation or neutralism, nor should it discourage in any way the policy of building up other associations, a British commonwealth of nations or an Atlantic community.

Some hon. Members: Hear, hear.

Mr. Pearson: The ultimate ideal, of course, is not a regional one, but universal, collective security and peace through a universal organization, the United Nations. But until that ideal is realized—and we in this house made this decision a good many years ago—we must rely on regional action, particularly at present through NATO.

The North Atlantic Treaty Organization today remains essential for collective action by the free states which are its members. Those who advocate its disbandment, as the New Democratic party does, along with the Warsaw pact, do no service to peace or security. If the NATO organization goes, then its members return to purely national defence and to national foreign policies, "each nation for itself and God for us all." But if, on the other hand, the Warsaw pact goes as part of the bargain, communist control exercised from Moscow will remain in exactly the same manner in terms of the reality of the control. There will, in reality, be little or no change.

If NATO, however, is to remain strong and effective—and this has been said by so many so many times in this house and outside that it is becoming a cliché, but it is a cliché which has become a cliché because it is so fundamentally true—it must be a genuine partnership with a maximum of consultation so that members can act together in an emergency, and that means consultation wherever possible before an emergency develops. A take it or leave it attitude by any one member could provoke, or where it may already exist could strengthen, a go it alone reaction by another, and that reaction would express itself not only in foreign and defence policy, especially in building up separate, independent nuclear forces, but also in inward looking and discriminating trade arrangements, either national or regional.

The Atlantic alliance will not survive without this concept of partnership being carried out in practice, and without co-operation and mutual confidence. Jealousy and petty nationalism could easily kill it. If any member of the alliance thinks more of national power or national glory, and allows the prerogatives of independence to frustrate the necessities of interdependence; if a member permits a "my country first" attitude to jeopardize that country's relation with its friends in the alliance, that could certainly destroy the alliance.

Mutual confidence could also be destroyed either by refusing to accept a fair share of the common defence burden, because that is what collective defence should mean, or by unilaterally rejecting pledges already accepted, commitments already accepted by refusing to take the steps necessary to carry them out. That, of course, brings me to the whole question, the other side of the coin, the question of national defence policy itself.

Mr. Chairman, as I said at the beginning this is an unusual discussion of defence policy. It is confined to these two days, and we are asked to cover the whole field of foreign affairs and defence in these two days at the end of which, because of the nature of the discussion, there will be no motion possible which could be moved in order to test the feeling of the house in respect to any particular subject of external affairs or defence. It seems to me this kind of debate on these two matters, after we have been so long prevented from debating them at all, since last September, is an evasion of responsibility for providing a more meaningful discussion of such a vital matter.

Some hon. Members: Hear, hear.

Mr. Pearson: In the five years since the present government took over I doubt if there is any parliament or legislative assembly in the democratic world which has had less discussion of, or less information submitted to it on, defence policy than has this parliament and the previous parliament. If you compare the discussions in congress, in Westminster and in Paris you will know what I mean.

We have had no adequate statements in recent months by government spokesmen on defence policy. Perhaps the reason for that may be differences of opinion inside the government. A house divided is not likely to welcome people to come inside. We have had no committee of the house set up on defence policy, although the request for such a committee has been made in this house more than once. We have had no realistic and responsibile statements from the government, especially since this parliament met, on this most vital of all matters, vital because it concerns peace and war. We on this side have pleaded for a defence policy committee to be set up, and other opposition parties have joined in that request.

I know, as the Prime Minister has already pointed out, that normally after a government has made up its mind on these matters, parliament agrees on them by parliamentary discussion. But in the circumstances of today and because of the situation in which we now find ourselves in view of what has happened during the last five years, things are not normal; and certainly it would be desirable, even now, to set up a small committee on defence policy which could call witnesses, get information and discuss this question, so that we could see how much agreement we could reach on it.

That has not been done. It presumably is not going to be done as long as the present government is in power. But at least as a substitute for a defence policy committee we might have had from the Minister of National Defence, before this discussion took place, some kind of white paper on defence which would put forward the policy of the government in these matters. Not only have we not had that, but so far in this debate we have not had a single statement from any member of the government side on defence, not a word. It remains for the three opposition parties to declare their position and their views on defence policy in the absence of any statement from the Prime Minister or any member of the government on that policy. This to say the least, Mr. Chairman, is a reversal of the usual and accepted democratic parliamentary practice.

Any opposition, of course, is at a disadvantage in discussing defence matters because only the government has all the information which can be used as the basis for defence policy. Although a lot of that information cannot be made public in parliament, surely the government has an obligation to make a statement based on the information which it has, and some of which it should make public before there is a debate in the House of Commons on defence policy. Surely it was essential for some government spokesman to have made a full and frank statement on defence policy yesterday. Perhaps they will do so today, Mr. Chairman.

We all know that the only sure and enduring basis for defence, that aspect of defence policy which makes most sense, is ways and means of keeping the peace. We all know now that no country, however powerful, and no agglomeration of countries, however powerful, can win an all-out nuclear war. Indeed, we are told by experts that it is impossible to even wage one. This makes it more necessary than ever to prevent one.

As part of this process in the world in which we live we have to have a defensive force, a deterrent force if you like, including a nuclear deterrent force. This deterrent force is required to preserve the peace until we reach a state of affairs where the foundation of peace will be stronger even than that of force. I pay tribute to the sincerity and the work of the Secretary of State for External Affairs in his efforts, with others, to try to

find that kind of foundation. I accept that position, as I am sure do most hon. members, if not all, in this house. The only sincere alternative to the acceptance of this position is one of neutralism or pacifism. These can be very honest alternatives, though I believe they are misguided, unwise and dangerous, and I can see no safety in them.

Today, then, defence policy is based, as I have already indicated, more on the interdependence than the independence of nations. We know that no country can defend itself alone. We know that the only security, especially for a country like Canada, lies in collective action through a defensive alliance such as NATO, which rests, or should rest, so far as its military side is concerned, on a pooling of strength to which every member of the alliance makes its contribution. Collective defence of this kind is based on treaties, on arrangements, on pledges, on obligations undertaken, on commitments given among the member states, as well as commitments and pledges made by the member states to their own people.

When dealing with our friends inside an alliance we assume that pledges made will be kept, that commitments undertaken will be carried out. We also assume that a change of government will not necessarily mean a sudden and unilateral renunciation of defence obligations or military pledges which have been made. If we assume that, our friends have the same right to assume that the pledges of the Canadian government are the pledges of the nation; that they will not automatically disappear with a change of government; that they will be changed only by agreement, when they affect other members of the coalition; and that until changes are made by agreement, they will be honoured.

To find the best defence policy for Canada—and I cheerfully admit this—would be a difficult enough problem in any circumstances and for any government. But it has been confused and indeed complicated by the controversy over one aspect of this policy. It has been confused and complicated by other things, but I am now going to refer to only one subject of confusion and complication. That is, whether to use or not to use nuclear weapons of any kind and, if they are to be used, whether they should be under national, joint, or collective control; and, indeed, who should have the custody of them inside a coalition.

As was pointed out by my hon. friend from Red Deer last evening, the use of these weapons—and this has been pointed out by others also—has been made into a moral question. That, of course, makes explanation difficult because it arouses strong emotions, understandable strong emotions, which are concerned not only with human behaviour but with the very survival of mankind, because of what these particular weapons can do. Whether Canada in present circumstances uses defensive tactical nuclear weapons or not—and they are the only ones in question; no one suggests for a minute that we should take part in the strategic retaliatory nuclear deterrent in an active way—this question cannot, in my view, be decided on moral grounds without hypocrisy on our part unless we follow through on that decision with other decisions which logically flow from it. As a member of the NATO coalition we accept the nuclear deterrent in the hands of the United States as essential for defence, and we supply much of the uranium which goes into United States nuclear bombs. Therefore to say that on moral grounds we shall not accept any nuclear weapons in any circumstances is dishonest and hypocritical unless at the same time we are willing to withdraw from NATO or refuse to export to anyone uranium for military defence purposes.

The fact is, of course, that the argument for or against nuclear weapons for Canada is a political and military one, not a moral one. In saying that I am not ignoring the fact that there are moral considerations involved and that this weapon does not involve for many people a moral problem. It certainly does, but the moral problem, in my view, is concerned not with the weapon itself but with the use of the weapon; certainly not with the kind of weapon we are discussing at this time as part of the defence policy of Canada. The moral problem is concerned not so much with the weapon as with war itself, which is the basic and ultimate immorality.

As I see it, the question we have to ask ourselves is, how can Canada make her most effective military contribution to the preservation of peace and the prevention of war in co-operation with her allies—because I believe in the alliance—and how can we ensure that commitments once undertaken, pledges once given for this purpose by us in agreement with our allies can effectively be carried out until they are changed.

In dealing with this aspect of defence, the military aspect, I am aware that I am dealing with only one phase of this question. Perhaps 50 years ago if we had talked about defence in this house or in any other place we would have been talking only of the military aspect. That was defence. But there are certainly other aspects of defence now, as I mentioned a few moments ago. There is the political and diplomatic aspect; and when the Secretary of State for External

Affairs works for disarmament he works for defence. His work and the work of other Canadians at the United Nations over the years to further the cause of disarmament and to remove tension and fear between peoples is defence work.

There is also the economic aspect of defence. Trade, as often in the past and now, can cause conflict which could lead to trouble; therefore the economic aspect of defence consists of doing what we can in the countries of the world and especially in our own country to remove obstructions to international trade; and, what is perhaps of even more importance, providing economic assistance to materially underdeveloped countries. Because, as was pointed out by the hon. member for Burnaby-Coquitlam last night, we may find that if we cannot make some progress on that front, then nuclear bombs, Bomarcs, air bases and all the rest will not amount to very much in the light of even more explosive problems of ignorance, overpopulation, fear, hunger and unsatisfied legitimate desires among the emerging hundreds of millions in Asia and Africa. So economics is an aspect of defence.

There is also the ideological aspect of defence, how we can strengthen the forces of freedom and the values and ideals which should flow from freedom. I suggest that in this other aspect of defence we must try in a non-military way to remove the tensions which bring fear, conflict and war and which divide us in this small world from those we fear.

All these things, of course, do not form the major subject of discussion in this particular debate, because we shall not have time to go into these other aspects of defence. Therefore I ask, on the military defence side, what is the situation in Canada especially as it concerns nuclear weapons? Well, we know a good deal more about this now than we did, say, a year ago, not because of statements made in the House of Commons but because of information which we have been able to secure outside the House of Commons and by reading the proceedings of the subcommittees of congressional committees on defence in Washington and by reading blue books which emerge from the United Kingdom House of Commons; also, of course, by some of the things which have been said in this house and outside in Canada.

In 1959 the Canadian government—I do not think this will be disputed, but I could produce lots of evidence to support this contention if it were—agreed that the role of our overseas air division in NATO, a role which from a military point of view is undoubtedly our most important contribution to NATO, should be changed to the very important one of strike reconnaissance from high level interception. The Liberal opposition in parliament at that time, back in 1959, opposed this new and changed commitment for that air division, and we gave in some detail the reasons why we thought this was the wrong kind of role to be undertaken and why we thought it should not be accepted or, if accepted, why it should be changed before it became too difficult to change it. Nevertheless that role was undertaken, and after four years—I remind hon. members of the New Democratic party of this—after four years, because it takes that long, the equipment to discharge the role is now being delivered. I think the first planes were delivered last October for the first squadron which is to be converted to undertake the new role. The aircraft for this purpose are American Starfighters, now CF-104's in the R.C.A.F. We are informed that one R.C.A.F. squadron will be in a position to go on alert by the end of April and the others in the weeks following. So the whole division will, at the present rate of progress, be equipped within a few months.

Now, in order to accomplish effectively the role which this division has undertaken, these planes are designed—and this was understood when the order was placed—to be armed with rockets which would have nuclear warheads. We know they cannot operate effectively to do the job which has been entrusted to them without such warheads. The government, however, having committed the taxpayers to the expenditure of hundreds of millions of dollars on these planes—the figure which has been given is half a billion dollars—has not made up its mind even yet whether to accept the warheads or not.

It has not even made the political agreement with the United States which is essential before the nuclear warheads could be made available if it were decided later to accept and use them. That agreement will certainly take some time to negotiate, as will the training of our airmen in the use of the weapons. According to the former NATO commander it will take from three months to six months. However, nothing has been done one way or the other. No decision has been made. I say that this has now become an intolerable situation, and that the result is now a serious gap in the defence arrangements of the NATO alliance. We said that we would assume a particular responsibility in that defence. In fact we are not doing so and no one else in the coalition can now do so, because we said we would do the job and we are supposed to be taking it on.

Similarly our NATO ground forces are being equipped, if they have not already been completely equipped, with United States Honest John artillery rockets designed to carry nuclear warheads, but the government has taken no decision to secure the warheads even though our ground forces are expected to use them for defence against attack, and everybody knows that fact. At home there are the United States Bomarc missiles, ground to air, which are in the same state of impotence or, if you like, suspended animation. I may say they certainly created a good deal of political animation. The government must have decided back in 1959 that the two Bomarc bases on Canadian soil were important links in the continental defence chain. Again we Liberals at the time thought they were wrong in this matter. We opposed the decision, but it was made by the government for Canada; and the missiles have now been delivered at the expense of the U.S.A. Whatever may be their value a year or so from now, we know they are completely useless now without nuclear warheads. We know that these warheads cannot be secured at once and used at once in an emergency. Plans must be made in advance and agreements must be reached with the United States in advance.

Our Bomarc missiles, for instance, stood inert and useless in the alert during the Cuban crisis. They might as well have not been there. That crisis also showed how absurd it is to think that a decision could be made and quick, effective action taken after the emergency developed. Yet we were told not long ago that this could be done. Similarly our CF-101 aircraft, again a U.S. plane, the Voodoo, to be completely effective as interceptor fighters even for the diminishing continental defence role which they have been asked to perform but which the military experts say is still of some importance, are designed to use nuclear weapons in the interception of attackers. It is also ridiculous to think that we can reserve the decision to get them, and have them ready for use, until after the emergency develops.

In short, both in NATO and in continental defence the Canadian government has made certain defence pledges and has accepted certain defence commitments on behalf of Canada which can only be carried out by Canadian forces if nuclear warheads are used. The government and nobody else made these commitments. Since then, however, the government has refused to make the decision either to alter the commitments or to accept the means to carry them out. Alteration, of course, is not so simple and so easy as it would have been a year or two ago. It takes years, as I have just indicated in connection with the air division, to implement major changes in defence policy and commitments. I say that it is humiliating and dishonourable for Canada to make pledges and accept commitments and then refuse to discharge them or put our men in a position to discharge them if they were called upon to do so in an emergency. Canada cannot maintain a position of respect and influence in the world on any such basis.

What then should the government do? It should act in order to ensure that the commitments accepted by Canada with her allies will be discharged by Canada as long as they exist. We have taken our place in a sector of the defence line. Canadians have done that previously in our history. We must be prepared to do the job in that sector until we agree to do something else. As a lady delegate, according to the press, reported to the recent Conservative convention, and I think her words bear repeating, the situation is this. I may say that this was not during one of the breakfast meetings nor indeed during one of the barbershop quartet meetings. This was at the meeting which discussed defence and nuclear warheads. This lady delegate is reported to have put the matter in this way, "We have contracted. We have this by agreement. We promised. We have no choice now whatsoever".

An hon. Member: What did Mrs. Pearson say?

Mr. Pearson: I will get to that, too. Up to a year or so ago the government had some room for manoeuvring in this matter. Until the equipment had been delivered we could have changed the commitment without the difficulty or delay that is now inevitable. We on this side of the house thought that change should have been made to a better role, and we said so inside and outside the house. But now the rockets are with the batteries, but without ammunition. The planes are with the squadrons, but without the armament which they are supposed to have. Hence it is more difficult to make changes, and it will take longer. Meanwhile do we do nothing in respect of the commitments undertaken, as I understand would be the position of my hon. friends of the New Democratic party?

The Minister of National Defence in the House of Commons on March 20, 1962 as found at page 2012 of *Hansard*, stated as follows:

> As the 104's have only begun to come off the production line and we are just setting up training facilities to train the crews to operate them, they will not be going into operation for a year and, as I said several times before, the matter of securing armaments for them is not an urgent matter at this time.

It is an urgent matter now because the planes are there and the crews are with them, and if they are to be trained they should begin to be trained now with the equipment necessary for them to do the job they were asked to do. Policy now has been translated into arms, into equipment and into organization. Surely it is idle to argue, Mr. Chairman, that you can go on shilly-shallying on this matter, that we need do nothing now because changes are taking place all over the place in defence strategy and in defence tactics. Of course they are, and they will continue to take place. That is only an argument for not doing anything at any time.

The cancellation of the Skybolt by the U.S.A. for the United Kingdom, for instance, has nothing whatever to do with this Canadian problem. The British ordered this nuclear missile from the United States. The United States stopped production of the Skybolt, which was to take the place of the Blue Streak. Then the United States offered the British, in place of the Skybolt which had taken the place of the Blue Streak, another American nuclear missile, the Polaris. To make that a situation which is the same as that with which we are faced, when we have taken on a certain job which can only be done by one particular missile at this time, when the government refuses to change the job or take the missile or get a substitute for it—surely to relate this problem to that which the United Kingdom government has and to which the Prime Minister has referred does not make any sense at all.

There is no parallel here, no excuse for inaction any more than there is in the Nassau communique which refers to discussions about a NATO nuclear deterrent force. The Prime Minister has said that this is something new, this is a new situation, this is a change, this is an important development, and we must hold back and see how it works itself out. Mr. Chairman, these discussions with regard to a NATO nuclear deterrent were first referred to in the House of Commons by spokesmen of the government back in the autumn of 1957 or the beginning of 1958, because it was at the NATO council meeting in Paris in the autumn of 1957 that the decision was taken regarding nuclear weapons for NATO even if that decision has not yet been fully implemented. Discussions have been going on for years and they will probably go on for many, many months before the NATO council and the NATO governments are able to work out a satisfactory collective nuclear deterrent; to use this as an excuse for inaction in carrying out now the pledges we have undertaken with respect to making equipment available to do that does not, I repeat, make any sense.

It was because of the changing and shifting situation respecting nuclear equipment that we on this side four years ago opposed the taking on of commitments that required this kind of equipment which could only come from the United States. But the government brushed aside our objections and our doubts. So now let them carry through, or propose some other course which would be an effective one for Canada and agree on it with our allies. Meanwhile let us keep our pledged word.

The government, I repeat, should end at once its evasion of responsibility by discharging the commitments it has accepted for Canada and, as it happens, it can only do this now by accepting nuclear warheads for certain defensive tactical weapons, which cannot effectively be used without those warheads. An agreement with the United States for this purpose would have to be negotiated, presumably one similar to those signed by the United States government with the United Kingdom and other NATO countries to provide for joint control of the use of the weapons, if and when they are accepted. As I have said before, in such an agreement it is true that a United States finger would be on the trigger but a Canadian finger would be on the safety catch, and when we get a genuine NATO nuclear deterrent there will be other fingers as well on each safety catch.

The government position remains, however, that no decision need be made, that no action need be taken, a position which, of course, one might expect from this government. We can wait to see how the disarmament discussions get along or until an emergency develops or until something else happens. That is merely getting the worst of both worlds.

There are those who argue—I have no doubt we will hear this argument from the government side; we have already heard it from some members of the New Democratic party, and it has been referred to by the leader of the Social Credit party—that we have no nuclear commitments, that we have made no pledges to ourselves in Canada or to our allies which require the use of any kind of nuclear warhead. It seems to me, Mr. Chairman, that this is the crux of the whole question. Therefore I should put on the record the evidence which justifies the stand we have taken on this matter. The evidence surely shows how wrong that attitude is, and of this there is no shadow of doubt, no possible, probable shadow of doubt.

Let us look at the commitment or pledge. Let us go back to February 20, 1959, nearly four years ago. As found on page 1223 of *Hansard* the Prime Minister said this then in talking about these new weapons:

> The full potential of these defensive weapons is achieved only when they are armed with nuclear warheads.

This is back in 1959.

> The government is, therefore, examining with the United States government questions connected with the acquisition of nuclear warheads for Bomarc and other defensive weapons for use by the Canadian forces in Canada and the storage of warheads in Canada.

That was February 20, 1959.

An hon. Member: That is not a commitment.

Mr. Pearson: On March 10, 1959, as found on page 1775 of *Hansard,* this appears:

> The government does not anticipate concluding a formal agreement with the United States government on the acquisition of nuclear warheads in the immediate future.

Naturally he was asked why, and he answered the question by saying:

> —it would be some time before nuclear weapons would and indeed could be made available for use by Canadian forces.

In other words, when the weapons were made available or could be made available to Canadian forces, an agreement would then be concluded.

Some hon. Members: No.

Mr. Pearson: Well, if language has any meaning that is the only interpretation you can give it.

An hon. Member: Case dismissed.

Mr. Pearson: I will prove that is correct by quoting the then minister of national defence, General Pearkes, who followed this up on July 2, 1959, by saying, as found on page 5393 of *Hansard*:

> —it is government policy that Canadian troops should be armed as efficiently and as effectively as are troops with which they are co-operating.

Then he added that negotiations were going on with the United States to make this possible. These were the negotiations that the Prime Minister talked about to make possible the acquisition of nuclear warheads for this equipment. Then General Pearkes, the minister of national defence at that time, went on to say:

> —in order to arrange the details of the storing of and equipping our forces with nuclear weapons as and when they would be available and as and when we would have the weapons to launch them.

That was the purpose of the negotiations. On July 3, the very next day, the then minister of national defence said that these negotiations, and I quote from pages 5414 and 5415 of *Hansard,* "are fast reaching a stage when there can be an exchange of notes on this matter". This was in July, 1959. What were the Canadian people entitled to draw from that kind of statement by the minister of national defence?

An hon. Member: A very weak statement.

Mr. Pearson: It certainly was a weak statement, as it turned out, because that was four years ago and nothing has been done about it. In the same statement the minister said in the house:

> I presume that eventually the Canadian forces will be equipped with atomic weapons.

Well, when is eventually? Obviously, Mr. Chairman, at the latest it should have been when the equipment, the 'planes and missiles were delivered and the commitment had by that delivery become effective. This has now happened. Later, in confirmation of this point of view, on July 22, 1959 the defence minister in an interview over the C.B.C. admitted this. He is talking now about the air division in France:

> The problem will arise when our squadrons are re-equipped with the F-104G's and then armed with nuclear weapons.

I do not need to quote the position of the present Minister of National Defence on this matter because it is well known, and within the limits of cabinet propriety it has been quite consistent. All this, from the highest sources of the Canadian government, confirms what the Canadian and NATO military chiefs have known and have said; that there was indeed a nuclear commitment, both to the people of Canada and to our allies. Our allies certainly understood this to be the case. This was confirmed only Monday last by the minister of defence in answer to a question which appears at page 2920 of *Hansard* for that date. I will read the question: "When the government selected the Bomarc, the CF-104, the Honest John rocket and the CF-101B, was it aware that—" was the Canadian government aware— "maximum efficiency of these weapons depended on the use of nuclear armament"? The answer was, and I am sure these words were very carefully chosen:

> The government was aware that in each instance these weapon systems would reach their maximum effectiveness when armed with nuclear warheads or weapons.

Surely our government does not wish to equip our troops with weapons which cannot reach their maximum effectiveness. Then the other question was, prior to acquiring these weapons did the government indicate to the United States or to NORAD or to its

NATO allies or to NATO headquarters that it was or that it might be unwilling to accept nuclear arms? The answer was a short and categorical one, very much to the point. The answer was "No".

So much for the pledges made, the statements made and the commitments undertaken by the government, in statements in this house and outside this house. What are the commitments as understood by our allies? Last night the leader of the Social Credit group in this house said he did not know, and it was very difficult for him to make up his mind until he knew what the commitments were. I hope by now he is a little clearer in his mind in so far as statements made in parliament to the Canadian people are concerned. Let us look at the other side of the question. Was it understood by our allies that we were taking on this job?

There is no one, Mr. Chairman, who has a better right, a more respected right to speak about the North Atlantic Treaty Organization on the military side, the strategic side, than the former commander of that alliance, General Norstad. He was the commander of the NATO forces in Europe and, as I said last night, as such he was not the servant of any one government, he was the servant of all the member governments of NATO. He conducted himself properly as such while he held that command. Tribute has been paid to him by the member governments for doing so. He was not only a United States military man, he was a NATO military man, a NATO statesman and a NATO diplomat. He was the representative of all the government members of NATO. It does not seem to me to add anything to the dignity of this discussion when he is referred to, as he was by the new president of the national Conservative association, as merely a retired American general; or, according to one report when he came to Ottawa the other day, as merely an American tourist whose views are not any more important than those of any other American tourist.

An hon. Member: Are you trying to get him on the active list again?

Mr. Pearson: It is very easy for my hon. friends opposite to depreciate a man whose views they accepted when he was the commander of NATO. There was not one word of criticism ever directed at him when he had this position, but when he came to Canada on a farewell visit and incidentally gave his views as a servant of Canada and when, unfortunately, he was not received by the Prime Minister but made a voluntary statement at a press conference arranged for him at which the Associate Minister of National Defence was present, when he answered questions honestly and frankly about what we had in the way of a military commitment to NATO, when those answers did not seem to fit in with the views, prejudices, policies or desires of hon. members opposite or hon. members of the other two opposition parties, then they proceed to denigrate him, try to tear him down.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Pearson: Mr. Chairman, before the luncheon recess I was discussing the nature of the pledges we have made on this question of nuclear weapons, the evidence to support the fact that we have undertaken certain commitments, and I had reached the point where I wished to produce some evidence, not from statements of members of the government in this house but evidence from persons outside the house concerned with the military policy of the alliance, persons who would have no axe to grind in this matter and who would presumably have the expert knowledge on which to base their information.

As I have said, this question of commitments is the crux of the situation, and I am sure the government will appreciate that because the Prime Minister has already reminded us in the house that we have made certain commitments, for instance the sale of wheat to communist China, and that we are the kind of people who honour our commitments.

At the press conference with General Norstad there was in attendance, as I mentioned this morning, the Associate Minister of National Defence, and if any of the information given by the general, who was retiring from his position as NATO commander, was inaccurate in any respect there was an opportunity for the Associate Minister of National Defence to correct the record and make sure no wrong impressions had been created. As a matter of fact I believe the general at one stage of the press conference did refer to the fact that this was a question that should be answered by a government representative.

I have before me a verbatim record of that press conference. There was nothing General Norstad said at that time that was new. It was merely confirming what had been said in the House of Commons by the opposition and by Canadian military chiefs outside the House

of Commons, but it was impressive in its confirmation of these earlier statements. At one point in the press conference, talking about Canada's commitments which was the question that had been addressed to him, the former NATO commander said this:

Canada has met those commitments in numbers and in general in quality during the entire life of the alliance.

I think that is true, except perhaps one could question whether we had met our full commitment on land, which I believe is a brigade group in Europe, and that the other components of a division in Canada be equipped and ready to join that brigade group in Europe as a Canadian division. But apart from that possible difficulty the general said we have met our commitments in numbers and, in general, in quality during the entire life of the alliance. Canada had been really outstanding in meeting its military commitments in that sense. Then the question was asked:

Q. General, do you consider that Canada has committed itself to provide its Starfighter squadrons in Europe with tactical nuclear weapons?
A. My answer to that is yes.

That is categorical and unequivocal enough. The general went on in replying to another question to say:

We established a NATO requirement for a certain number of strike squadrons. This includes tactical atomic strike squadrons and Canada committed some of its force to meet this NATO established requirement. And this we depend on.

Incidentally General Norstad added, "Again, we depend on it particularly because of the quality of that air division". Then another question was:

Does it mean, sir, that if Canada does not accept nuclear weapons for these aeroplanes that she is not actually fulfilling her NATO commitments?

The answer was:

I believe that's right. She would be meeting it in force but not under the terms of the requirements that have been established by NATO.

Then another question was asked:

General, did you say that you believe that Canada has committed this Starfighter group to tactical weapons? A. No doubt—I know that they have committed the Starfighters, yes.

Then in reply to a question dealing with the political arrangements which would be required in order to make possible political agreement with the United States in order to make it possible for Canadian forces to accept or use these weapons, and to the possibility of this resulting in a proliferation of nuclear weapons, the general had this to say:

There is no proliferation so far as control is concerned, because these weapons are held in the hands of the country of their source until they are actually used. But they can be made available just as fast to a French squadron, to a Belgian squadron, to a Dutch squadron, to a German squadron, to a British squadron or to a Canadian squadron, as they could be to an American squadron.

The questioner interjected:

Yes, but subject to bilateral agreement...

And the general replied:

Yes, this is subject to bilateral agreement.
Q. Would the crews be trained to use the atomic weapons?
A. Under the bilateral agreement, yes. It does take a bilateral agreement because under the American atomic energy law, if there is a bilateral agreement between two countries concerned then the information can be made available which will permit the training with these weapons and this is being done with almost all the countries of the alliance at the present time.

Then there was this question:

Q. Lacking a bilateral agreement, how long does it take to train crews?
A. You can't train them without a bilateral agreement.
Q. What I mean is, after you get such an agreement, how long would it take?

The general said:

—I think it's about six months, isn't it; three to six months minimum?

Then Air Marshal Miller, who was there, said:

Yes, but it could be done under six months.

Then General Norstad said:

It takes some time; it takes a considerable period of time.

He went on to explain, in answer to another question, that the Canadian crews have not had this training before because in earlier days the 'planes were not available, but that now the 'planes were available and they were there. Then the question was asked:

With how many countries, sir, does the U.S. have such bilateral agreements for nuclear weapons?

General Norstad said:

Essentially all the countries. I can't give you the exact number; essentially all of them.

Then the question was asked:

Could you say, that the forces of what countries are actually in a position to acquire nuclear weapons immediately now in the NATO force?

General Norstad answered:

Almost all of them.

Then the question was asked:

But where are the weapons physically, are the—

Then he said this:

This is a question I cannot answer.

The question went on:

Does this mean that the Canadian forces are the only ones in the alliance that—

General Norstad broke in:

No, not the only ones. This has really not been a problem with the Canadians in the alliance up to this time. And will not become a problem until the equipment is changed.

Well, Mr. Chairman, the equipment has been changed and airplanes have been delivered. Then questioner went on:

Or until a bilateral agreement is signed?
A. Yes. But a bilateral agreement becomes important when the new equipment comes into the air division.

Then he added this:

I advocate the signing of the bilateral agreement because this is the only way in which you can be fully trained.
Q. When do you believe the lack of a bilateral agreement would become a problem of creating a weakness to NATO?

"A problem of creating a weakness to NATO"—and if any man was qualified to discuss the strength and weaknesses of NATO, it was General Norstad. His answer was this:

I think that it is desirable to take whatever action is necessary now, bilateral or anything else, so that the ground and air forces of Canada, which are deployed in Europe, could be used promptly with full effectiveness and I think this is important now.

Then once again the general tried to get the questioners off this question of nuclear weapons. There were questions on other subjects, but I would just like to put on the record of *Hansard* what the general said in winding up this press conference. He was talking about a NATO nuclear deterrent and how control would be exercised if such a deterrent force was created. He thought it should be brought under the authority of the alliance and he said:

I personally favour the authority being the authority of the alliance to the largest possible extent, and that those weapons which are developed, designed and deployed for the purpose of defending Europe, should be really controlled by the authorities, political and military, who are charged with that particular responsibility. I would like to see this within the NATO concept because I think this reduces the danger of proliferation. I think this would be satisfactory to the largest number of countries.

Mr. Chairman, I think that puts on the record the evidence given in this house which supports the view that a pledge was made to the Canadian people, and the evidence given outside this house which supports the view that the pledge was understood to be such by those who were responsible for the military side of the North Atlantic treaty alliance. Now may I, before putting forward in conclusion our own policies on defence generally, including this matter—and I can do that, I hope, very briefly—refer to what I believe to be the policy of the other two opposition parties in this matter.

The policy of the New Democratic party, as it was expressed last evening by the leader of that party, is "no nuclear weapons of any kind, in any circumstances, under any form of control, for Canada". I think that is a fair statement of the case. Well, Mr. Chairman, that is clear not only from the statement made last evening but also, of course, from the resolutions adopted by the founding convention of that party from July 31 to August 4, 1961, because those resolutions included the following:

The New Democratic party believes that we should seek a reappraisal and change of NATO's policies and objectives.

I do not think anyone can quarrel with that. Then there was this resolution:

The New Democratic party believes that the extension of nuclear weapons to any further states and alliances threatens disaster to the world. It therefore opposes Canada's troops being supplied with such weapons at home or abroad. At present,—

I underline these words:

—except for those nations which have independently developed atomic capacity neither NATO itself nor its members individually possess or control nuclear warheads. Should they do so, Canada must make it clear that it cannot remain in the alliance.

Those words mean, if they mean anything at all, that if there is a NATO nuclear deterrent, where the authority and control of the nuclear deterrent force would be taken out of the hands of an individual member of the alliance and put under the authority of NATO itself through a mechanism devised by the NATO council—that is, a genuine collective deterrent with nuclear defensive, tactical weapons—the New Democratic party advocate that we withdraw from the NATO alliance. Well, Mr. Chairman, we on this side of the house do not accept that position. I say with great sincerity that, while I appreciate the sincerity of hon. members of the other party who support this view, I do not believe that such a withdrawal by Canada from the alliance, in the circumstances of there being a collective nuclear, tactical deterrent under NATO, would add anything to peace or security in the world. I think it would weaken peace and security in the world. Then the resolution goes on:

To relieve tensions, Canada should press for a demilitarized zone in central Europe and—

Listen to this. I mentioned this earlier in my speech:

—for the simultaneous disbandment of the Warsaw and NATO pacts.

That puts the two pacts, presumably, on the same level of interest and importance in so far as the preservation of peace and security is concerned, and suggests that if we withdrew from both of them the balance would be maintained. I do not agree with that, Mr. Chairman. Perhaps I should add that one New Democratic party spokesman, the hon. member for York South, in explaining the policy of his party the other evening

in Toronto, and incidentally in confirming the view that the Tory government did in fact take on a nuclear commitment as far back as 1959, made a statement about Liberal party policy which is completely false when he said on January 5 as reported in the press:

> The agreement on Bomarcs was negotiated with the United States by a Liberal government when the present Leader of the Opposition ... was our minister of external affairs.

Mr. Chairman, there was no negotiation of such an agreement by the previous government. I doubt if there was even at that time such a thing as the Bomarc B, which is the weapon we now have. It was under development at that time. So far as the position of the Social Credit party is concerned, the leader of that party made a strong plea for leadership, direction and decisiveness and said that all parties should at least take a stand on this matter so that people would know where they stood. He was complaining that we on this side were not definite. But the hon. member did not do very much in his statement last night, or in his broadcast the night before, or in the other statements which have appeared in the press in the last week or two, to clear up the ambiguities in the position taken by his own party on this important matter.

He is reported as having said on January 14 in Hong Kong that there is no need for nuclear weapons on Canadian soil. Nevertheless, he is reported as having said in Vancouver on January 16:

> If acquisition of nuclear warheads by Canadian forces abroad means co-operation with NATO, then Canada should co-operate.

He is also reported as having said about the same time in Alberta that Americans should be permitted to make Canada their nuclear arsenal in case of war but that Canadian forces should not have such weapons. He said:

> Nuclear weapons should be available to be brought to Canada in the event of a nuclear war and if that happened Canada should become the "arsenal" of the United States.
>
> Meanwhile Social Credit does not favour extending the "nuclear club" but the party does think Canada should keep her NATO commitments even if it means equipping Canadian forces overseas with nuclear power.

I mention these things because we were reproved last night by the hon. gentleman for not being very decisive and clearcut in our statements. I must admit that the co-leader of that party has been clearcut in his statement as reported in *Le Devoir*. He stated categorically that he opposes Canadian acquisition or use of nuclear weapons in any circumstances. Then, according to the reports, he went on to say that Canada should be like Ireland and Switzerland.

I want to conclude by putting forward the principles of a Liberal policy on defence and, indeed, in respect of this particular problem which we are discussing as part or our defence. In our approach to this matter we should try, and, indeed, I try, to avoid the thinking of both those who say "I made up my mind years ago and I see no reason to change it" and of those who say "I refused to make up my mind years ago and I see no reason to do so now." The Liberal party defence program put forward before the last election and made public on April 13, 1962 included this paragraph:

> Defence policy cannot be fixed for all time. Decisions must be made in the light of changing circumstances as they become known. There must be decisiveness in doing what is necessary when it is necessary. On the basis of present knowledge, the defence policy of a new Liberal government will not require Canada to become a nuclear power by the manufacture, the acquisition or the use of nuclear weapons under Canadian or American control.

Note—"under Canadian or American control". That is, national control. And indeed, the political agreement we would make and, I assume, any political agreement which the United States government would make on this matter, would not provide for national control but would provide for joint control, both sides having a veto of the use of these weapons. The statement goes on:

> A new Liberal government will, however, examine each situation in the light of the overriding responsibility for the security of the Canadian people.

Then we included this paragraph:

> If the members of NATO make an agreement for a NATO nuclear deterrent under NATO collective rather than national control, then Canadian forces in NATO should not be prevented from participating in this agreement by acquiring the necessary NATO tactical and defensive nuclear weapons.

That is a statement made on the eve of the last election and it is on the record.

What will we do now? There is nothing in what we put forward now which contradicts that statement. In addition, a new Liberal government would make a complete and thorough review of our whole defence policy, which is something far beyond the use of nuclear weapons alone. We would carry out a review of our old defence policy as part of continental and collective defence which is today, I realize, more for defence through prevention than defence through protection. In this re-examination, one which cannot, of course, be concluded overnight and one which would require full consultation with our NATO allies, we should seek a defence role for our country which would be more appropriate for us than our present one and

which would enable us to make a more effective contribution to collective security, to our own defence and to defence of peace.

The basic principles underlying such a new defence policy—and I do not mind thinking about basic principles in this debate; in that respect, perhaps, I differ from the advice given by the Prime Minister to a Conservative meeting last week—the basic principles underlying this new defence policy by which we would be guided would be as follows—I ask the indulgence of the committee while I put them on record.

1. Defence policy must be part of our foreign policy as well as of that of our allies as long as we remain in a coalition which is directed toward the establishment of a constructive and enduring peace based on disarmament, especially nuclear disarmament, on co-operation between all nations and on the promotion of freedom and human welfare everywhere.

2. It follows that Canada's defence policy must not hinder or minimize Canada's influence at the United Nations and in the councils of the world in the efforts to realize these political objectives.

3. We must take whatever steps are feasible for the protection of our territory through suitable measures for that purpose. Defence measures for our own territory must also be related to our international commitments for collective security. They must be determined by the circumstances of today, not of yesterday. Protection which is effective only against dangers that have disappeared is merely a waste of money, resources and effort.

4. Canada's defence policy must be geared to its industrial resources, which means that Canadian defence equipment should be manufactured in Canada to the maximum possible extent. This would have a bearing on the kind of defence policies we adopt. As a member of a coalition which is supposed to operate on the principle of the most efficient and coordinated use of our collective defence resources and on the standardization of arms and equipment we in Canada should concentrate on doing the things that are strategically, industrially and politically best and most appropriate for our country.

Our financial resources are, of course, limited and therefore we should be careful to see that our defence dollars are spent sensibly and economically, avoiding commitments which require expensive equipment, equipment which is, or soon will be, obsolete, and activities which are, or soon will be, meaningless.

5. Canada must continue the closest possible co-operation with the United States and all our friends in NATO—and that includes the United States. She must do nothing to weaken NATO collective policy and action, while insisting that this requires the closest and most continual consultation between partners that is possible. Otherwise, as I tried to point out earlier today, the defence coalition will not survive and the defence policies of its members will go their separate ways along with their foreign policies.

6. Canada's defence forces, whether stationed in this country or in Europe, should be so organized, trained and equipped as to be able to intervene wherever and whenever required for United Nations, NATO or Canadian territorial operations. We should be especially ready and willing to take part in United Nations peace preserving operations. That will require quite a change in our present defence policies. That means that it must be the first essential of Canadian defence policy to give our forces maximum mobility, especially through the provision of adequate air transport.

An hon. Member: That is a change from 1939.

Mr. Pearson: Yes. Many things have changed since 1939.

7. The three Canadian defence services should be fully integrated with maximum efficiency and economy both in operation and administration and the necessary changes to that end should be made at the Department of National Defence.

8. Canada should not contribute to the strategic nuclear deterrent, which is very much different from the tactical deterrent, except—and this is important—in early warning devices to protect that deterrent from destruction.

An hon. Member: Bird watching.

Mr. Pearson: I heard one of my hon. friends opposite mention bird watching. They have produced now a defence policy which has accepted equipment which is not even designed for that purpose; and then they refuse to follow through on the necessary steps to make it do the job which it was designated to do.

Mr. Hellyer: A bird's nest policy.

Mr. Pearson: Finally, I would repeat in a few words our position with regard to tactical and defensive nuclear weapons, a matter which is very controversial and which is only one aspect of defence policy. Like everybody else in this chamber I hate nuclear weapons as much as I loathe the necessity for having them at all and the possibility that weapons of any kind may have to be used in a nuclear war. Their complete abolition by international agreement should be a

second priority in disarmament negotiations. The first is the end of nuclear testing. Meanwhile, as I stated earlier today, I accept the necessity, as does our party, of the nuclear deterrent. As long as the government could change its defence pledges which required nuclear warheads, we on this side advocated that change. The government ignored our arguments. It went right ahead. Now the pledges must be implemented as long as they exist. Therefore, Mr. Chairman, a Liberal government would honour those pledges made by its predecessor for Canada in agreement with our allies as long as they exist, until they were changed. That means that we would put Canada's armed services now in a position to do the job we had entrusted to them by the role which we had undertaken and which in certain cases requires at this time the use of tactical and defensive nuclear weapons. As I see it, that would be the only honourable course for the new government representing the Canadian people. Any other course would betray our trust, weaken Canada's reputation for living up to its word, and deceive our own people with regard to pledges we had undertaken. I therefore repeat that, while keeping our pledges, we would seek a better and more effective defence role for Canada in the alliance, knowing that while this is necessary —and it will now take time—it is also necessary to honour the pledges we have undertaken until they are changed.

Mr. Diefenbaker: Mr. Chairman, I look forward with some interest to the discussions yet to take place. I think the course I suggested the other day, that an opportunity should be directly given to discuss foreign affairs and defence, which are necessarily intertwined one with the other, was a proper and effective course to follow in order to ascertain the views of the members of this house in connection with these problems. While the Leader of the Opposition suggests that a two days limitation makes it impossible so to do, I point out that this is the period usually given in the mother of parliaments where discussions take place which are incisive, direct and without unnecessary verbiage. One thing which we agree in all parts of the house is that everything possible should be done to maintain the strength of each of the nations within the free world, economically and strategically. We are in agreement that everything possible should be done to maintain our defences while at the same time we should endeavour to attain that objective which, elusive as it has been for a thousand years, has represented the hope of all mankind.

I regret that the Secretary of State for External Affairs yesterday afternoon was unable to complete his summary of the contribution which has been made by Canada towards achieving disarmament and peace. However, even without elucidation on his part, I think Canadians everywhere realize that he has raised the standard of Canada in the United Nations to an extent that has brought honour to this country.

I am pleased to have this opportunity to reply, something that was denied me only a few weeks ago, in the parliament of this country. I intend to traverse the record. I have listened to the Leader of the Opposition. When he speaks in these loud tones near the end, I realize that the louder he speaks, the less certain he is of what he is saying. Sometimes I wonder about the source of the new policy declared. Sometimes I wonder if it is only coincidence that following some of his expeditions into a neighbouring country there is inevitably a new policy or a change in policy. I see where he objects to any suggestion of that kind. I am sure that Mr. Val Sears is one who does not speak unfavourably of those in the opposition, and this is what he said in an article in the Toronto *Star* on the 14th of January:

> Liberal leader Pearson made his decision alone—

That was true enough because they were so surprised in Manitoba that they had to swallow themselves.

> —and in the final hours before the speech was delivered. The argument, however, had been mustered days and weeks before. Mr. Pearson, loaded with memoranda on the nuclear question, went to New York early last week to attend a conference on world tension. There, he discussed the issue with a number of international observers and likely tested Washington opinion with United States representatives.

This is all very helpful but it also reveals a situation to which we certainly must give consideration. How surprising it was that the hon. member for Assiniboia, who used to be for withdrawing Canada from NATO, who used to be attacking nuclear weapons in any form, said when he heard of this statement:

"I support it. There is no question of me leaving the Liberal party over this issue." I am glad to hear that, but it does add up to one fact, that the country has had placed before it by the Leader of the Opposition a policy that bears no paternal relationship to the views he has expressed over and over again in this house. I am going to take the record today because the record tells a story that is the answer to much of what he advanced today. As far as those laudable objectives are concerned which characterized his peroration, such as securing a larger proportion of the defence dollar for Canada,

these are fine objectives. That is what this government has done. To an extent such as never before existed, there has been between our country and the United States a recognition that Canada's industrial economy deserves and has earned a larger share of the defence expenditures.

In 1961 the amount spent by the Canadian government in Canada was $502.9 million and $26.1 million outside Canada, or 95.1 per cent of the expenditures within Canada.

Internationally we live from time to time in the hope of bettering days. We also live between the hope of an assured peace and fear. We must maintain our defences. Of that there can be no question. But I think it is of interest that in the spiritual things the western world is gaining strength among those countries which in the past have had a large or considerable communist population. In western Europe today the communists are down to 60 per cent of the strength they had in the years immediately following the second world war. One reason for that is the division which has taken place between Russia and some of her satellites and now between Russia and communist China. Another reason is that conditions among the people economically are far better than they are behind the iron curtain. There were about 4 million card carrying members of the communist party in western Europe after the war. That number is estimated today to be 2.4 million. Even people living in the communist world, as they become prosperous, are losing their fanatical adherence to communism.

Then there are the events which have taken place in the last few weeks. Mention was made of the meeting between President de Gaulle and Dr. Adenauer. The agreement signed represents a forward step that could never have been contemplated 10 years ago. It shows that in the international field today the word "never" should not be in our vocabulary. Indeed, I feel that more and more we should endeavour through trade and cultural exchanges to bring about an understanding of each other.

Take the situation recently in East Berlin when the delegates booed the Chinese spokesman. Then there is the exchange of letters between the President of the United States and Chairman Khrushchev regarding nuclear testing. This is encouraging. Of course, if an agreement were secured without the adherence of the French and particularly without the adherence of communist China, it would not be too effective. All of these things point to better relations but we must in no way let our defences down. Admissions that things may be bettering should lead in no way to a diminution in the need of our maintaining our defences.

We are having this debate, as I said a moment ago, to secure the views of the house. I am going to show from the record that we have been consistent throughout in the stand we have taken. We shall make our decisions, and have, on the basis of Canada's security and the maintenance of our responsibilities internationally. We have made them and will continue to make them on the basis of no other consideration. I start at once by saying that any suggestion that we have repudiated any undertaking by Canada internationally is false in substance and in fact. Canada does not, has not and will not renege on her responsibilities. Let there be no doubt about that. When there is a suggestion that she has, that is but part and parcel of the attitude taken by the official opposition during the past five years of downgrading our country nationally and internationally.

The Leader of the Opposition says that we should have a committee of parliament on defence policy. The leader of the Social Credit party made a similar statement yesterday.

I point out this fact, that never at any time has there been a committee set up in our country on defence policy. There can be committees on defence for the purpose of looking into questions of defence but not for the determination of policy, which must be the responsibility of the government. Indeed, the Leader of the Opposition himself said on January 19, 1959, and in that he was consistent with the stand that was taken throughout the years by his party when in power:

> The sole responsibility for the policy decision in this matter as in defence policy generally remains in the hands of the government, and they should have met it before now.

This is the tradition of British parliamentary government and we on this side do not wish, as we did not wish when we were in opposition, to depart from it in favour of the making of policy through parliamentary committees. This is the stand we take, a stand that is consistent as the Leader of the Opposition said in 1959, with the whole question of parliamentary responsibility.

Now, sir, the Leader of the Opposition has admitted that defence is a complex problem, a difficult one not alone for Canada but for all the countries in the free world who are having difficulty in this connection. All of them have made expenditures for weapons and the like which, before they were produced, have had to be put in the scrap heap. Somebody said, and I think this is a slogan that appears on the walls of some of the

defence establishments in the United States, if it works it is obsolete. There has been a tremendous expansion in plans for defence and the media for defence. How often it has been found that before the weapons are ready for distribution they have already ceased to have any effect.

I want to point out a few general rules that we in this government have adopted. We say we shall take adequate steps at all times to protect this country. We have taken these steps. Indeed, as the Secretary of State for External Affairs said on December 17 on his return to the House of Commons from the NATO conference in Paris, the various nations there without exception paid tribute to the degree to which Canada had carried out her responsibilities. There was some suggestion today that in the interest of collective security we should co-operate in things that, for us, would not be effective. The stand we take is this: Canada has co-operated and will co-operate, but she will not be a pawn nor be pushed around by other nations to do those things which, in the opinion of the Canadian people, are not in keeping with her sovereignty and her sovereign position.

Our general purpose has been to do our part to assure Canada's security, to work with our allies in close relationship, and at the same time press forward for disarmament which is the only hope for peace. This is our purpose, this is our aim and our objective. Regardless of the political consequences, we will act to do those things that will carry out our responsibilities. We will fully co-operate with the countries of the western alliance, but with policies in co-operation with them that are made in Canada and not elsewhere. We will maintain Canadian sovereignty, regardless of the pressures, of the views, of anyone visiting our country or otherwise. We will have a policy that remains flexible so as to meet changing conditions. We will do nothing to extend the nuclear family. We will do our part to assure the continuance of the contribution of Canada to all U.N. forces designed to preserve peace.

Fundamental to our policy as it relates to other nations is the desire to be a useful and ever-ready agent for peace and for productive solutions while at the same time pulling our weight. Some say you should take the advice of generals if they are eminent. This was not the view of President Eisenhower who had occupied the highest position in the western world as a general. He did not say this until the last speech he delivered prior to giving up the presidency. This is what he said at that time:

> In the councils of government we must guard against acquisitions of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.
>
> We must never let the weight of this combination endanger our liberties or democratic processes. We should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial and military machinery of defence with our peaceful methods and goals, so that security and liberty may prosper together.

This has been the view of Canadian leaders, too. Sir Robert Borden, in 1917, said, "They advise but the civil authority determines". I emphasize that fact because the major portion of the argument of the Leader of the Opposition is based on the quotation of questions and answers selected from an interview that took place some weeks ago. I am going to deal with the question of nuclear weapons. This is a question that arouses in all of us those feelings of fear. I am going to deal with that at some length.

Nuclear weapons have a basis, for all peoples, of power and danger far beyond anything known before. Today, the United States has a preponderance of that power, and that caused Khrushchev to realize there would be no payoff in victory for the communists if they moved forward. This was the essence of the Cuban question and of the stand taken by the President of the United States. When the hon. member referred to Canada not having acted, may I say this? How could you act at the same time as your partner acted if you had no knowledge in advance beyond an hour and a half prior to the delivery of the speech of the President of the United States? He said, why didn't we act? We acted immediately. The United States knew in advance the course she was going to follow and had naturally had arrangements made in advance. We as a partner in NORAD had no knowledge. I simply point that out without further observation. For those in positions to control or use nuclear weapons, they possess a responsibility of magnitude and seriousness that it is hard even to imagine. It must be a frightful thing to have resting on your shoulders, as rests on the shoulders of the President of the United States, the responsibility in this connection. The United States has today taken over the herculean responsibilities that Britain carried for a hundred years, and there is resting upon the President of the United States decisions the seriousness of which affect all parts of the world.

We have been confronted with serious difficulties and problems in the defence field since 1957. One of our first acts was to continue an arrangement which our predecessors had made, which permitted United States interceptor aircraft to fly over Canada. A few weeks later we entered into a NORAD

agreement to establish a single separate effective control of North American defences. Forces of the United States and Canada were organized to defend our two nations against nuclear attack, and I point out so far as the Bomarc is concerned it was simply part of the plan, and was not to defend Canada. That is not its purpose. Its purpose is to preserve the strategic air command from an attack which would prevent the strategic air command from striking out with all its deterrent power. We organized to defend the bases of the deterrent nuclear force which has protected us, as well as the western world, for the past half dozen years and more.

That agreement was worked out to the mutual advantage of both countries and Canadian officers have taken a full share of responsibility and have done outstanding work in carrying it out.

The question of defensive nuclear weapons is one that must receive the attention of all the countries. We believe strongly in limiting the spread of nuclear weapons at the independent disposal of national governments. In that we are in concert with the opposition.

In December, 1957, I was one of those who attended the meeting of the NATO powers in Paris. We agreed to the establishment of stockpiles of nuclear warheads in NATO nations, to be readily available for use by nuclear forces in Europe who were then confronted with the threat of Russian nuclear weapons against them.

During 1958 the Canadian government studied intensively the arms required by Canadian forces in modern circumstances, and we reached the decision we would provide aircraft for the purposes of NATO. At that time I made it perfectly clear, as I shall point out in a moment, that those forces would have to be equipped, in order to be fully effective, with defensive nuclear weapons if and when the need arose. That was recognized in taking the decision that was announced in September, 1958, to instal Bomarc anti-aircraft missiles in Canada.

The Leader of the Opposition would have you understand that there has been no change; once you do a thing you should stay. In 1958, when the Bomarc was first laid down as a plan, the great challenge to North America was believed to be bombers carrying bombs. That is what we thought. Today that is changed. More and more there is a phasing out in connection with the bomber threat as more and more intercontinental ballistic missiles are increasing in number. Those are some of the stands we have taken and I set forth the views of the government on February 20, 1959, as quoted by the Leader of the Opposition. In accordance with that statement we proceeded to acquire equipment, aircraft, launchers and other items necessary to enable the Canadian forces to be ready to use defensive nuclear weapons if and when that became necessary.

In May, 1959, the supreme commander of NATO forces visited Ottawa and proposed to the government that the first Canadian air division in Europe should undertake a strike reconnaissance role to protect the NATO forces aircraft from the first attack on them. That we placed before the House of Commons. The government considered the proposal, and early in July announced its decision in the house to accept this role and to equip eight squadrons of the division to discharge it. Our ambassador informed the NATO council of this decision.

While nothing was specified about arming the aircraft with nuclear weapons it was realized by all that this would be desirable and that nuclear weapons should be available as and when required, under joint control, in NATO stockpiles in accordance with the general NATO decision of December, 1957, to which I have referred. Similarly, but less important, plans were made in connection with short-range defensive missiles.

Now, sir, that is all in the past. Those are the stands which we took. Those are the views that we placed before parliament in detail; and that is what surprises me, that the Leader of the Opposition, after his return from the United States a few weeks ago and after the interview with General Norstad, suddenly realized what was actually the fact. He suddenly realized that there should be some action taken, and I am going to deal with that because when I follow him in his equivocating stand throughout the past five years—if I can do it—I shall place before the house something of what I spoke so frequently—

The Deputy Chairman: Order.

Mr. Diefenbaker: —of a bold and imaginative policy, straightforward and courageous.

The Deputy Chairman: Order. I regret to inform the house that the time of the Prime Minister has expired.

Some hon. Members: Oh, oh.

The Deputy Chairman: But I am sure he will receive unanimous consent to continue.

Mr. Martin (Essex East): He always has. The Prime Minister always has.

Mr. Fleming (Eglinton): Mr. Chairman, may I invite your attention to the rule which indicates that under all circumstances, whether in the house or in committee, the Prime Minister, like the Leader of the Opposition, is not under any limitation of time.

Mr. Martin (Essex East): No one ever stops the Prime Minister from speaking.

Mr. Ricard: Except the Liberals.

Mr. Diefenbaker: Except the hon. member for Essex East, with the co-operation of the hon. member for Assiniboia and some others over there, on December 19.

We have spent billions of dollars on defence since world war II. Much of what has been spent might be considered by some to have been wasted, but if it had not been for the defences we built up, and those associated with us, our freedom might long since have disappeared. Since the time we entered into these commitments I have referred to things which have changed greatly. It was not a mistake to take measures to ensure the necessary security, on the basis of the information we had then, even though in the light of subsequent events some of the things that were done had been proven, as with every country, to be unnecessary.

I referred a moment ago to the tremendous strength of the United States. In December it was publicly stated that the United States had now 200 nuclear tipped, intercontinental ballistic missiles in place and that American missiles—these were press reports—now include 126 Atlas missiles, 54 Titans and 20 Minutemen. In other words, they are moving in the direction of a new concept of defensive measures. Those new concepts were the result of the meeting in Nassau, to which I will later make reference.

No one can predict the future. We build today on the basis of information that we have. We provide the weapons today according to our best lights and following collaboration among those associated in this matter of defence. New forms of deterrent are being developed. Military mistakes and changes have been made by all the countries in the western world. A short résumé will give the committee some idea of how easy it is to say what should be done now on the basis of what was done earlier in the face of other circumstances.

Britain had the Blue Streak, a long range missile which cost her some $267 million. She gave it up. Recently the United States decided that the Skybolt would not be used. The Leader of the Opposition said that they decided to end the building of the Skybolt. I do not think that is correct. What they decided was that in view of the uncertainty of this missile there was no real purpose in going on with it. But on the other hand, in Nassau the United States was willing to proceed, provided Britain would put up a corresponding amount of money in order to ascertain whether or not it could be made workable. By the spring of 1960 the United States had spent over $3 billion on various forms of projects, military weapons and the like, that had to be cancelled or ended in their production.

We had to take the same course. Some people talk about courage. Well, we took a stand in reference to the Arrow. No one wanted to take that stand. It is easy for members of the opposition to say it should not have been done. As I look back on it I think it was one of the decisions that was right. Here was an instrument beautiful in appearance, powerful, a tribute to Canadian production. But people sometimes say to me, "How would it have defended Canada?" What is the total area in which it would operate at full speed? The answer is, 325 miles out and back, in a vast country like Canada. We could not get sales for it at all and the cost would have been $7½ million per unit. What a tremendous cost to this nation. This instrument that was otherwise beautiful, magnificent in its concept, would have contributed little, in the changing order of things, to our national defence.

Every now and then some new white hope of rocketry goes into the scrap pile. We established the Bomarc, the two units. They are effective over an area of only a few hundred miles. They are effective only against aircraft. People talk about change. Who would have thought three years ago that today the fear would be an attack with intercontinental ballistic missiles? This program cost Canada some $14 million. The United States put up the major portion of the total cost. I do not want to repeat, but it is necessary to do so, that with the advent more and more into intercontinental ballistic missiles the bomber carrier is less and less the threat that it was.

So what should we do? Should we carry on with what we have done in the past, merely for the purpose of saying, "Well, we started, and having started and having proceeded, we will continue"? Should we do this in an area where mistakes are made? I am not dealing with those mistakes at the moment; but should we continue with such programs, in the light of changing circumstances? These were not mistakes in judgment at the time, but the failure to be able to look ahead and read the mind of Khrushchev and those associated with him in the presidium. More and more the nuclear deterrent is becoming of such a nature that more nuclear arms will add nothing materially to our defences. Greater and greater emphasis must be placed on conventional arms and conventional forces. We in Canada took a lead in that connection. In the month of September, 1961 we increased the numbers of our conventional forces. There was criticism at the time.

I was in Nassau. I formed certain ideas. I read the communique that was issued there and I come to certain conclusions based on that communique. Those conclusions are as follows, and these are the views expressed also by the United States under secretary of state, George W. Ball: that nuclear war is indivisible; that there should be no further development of new nuclear power anywhere in the world; that nuclear weapons as a universal deterrent is a dangerous solution. Today an attempt is being made by the United States to have the NATO nations increase their conventional arms. The Nassau agreement seemed to accept these three principles as basic, and to carry them out both countries agreed to assign to NATO part of their existing nuclear force as the nucleus of a multilateral force.

What was the plan? The Skybolt, they said, had not been too successful—although it is ironical that the day after the communique the first one was successfully launched into space. The day is rapidly passing when we will have missile sites that are set, firm, on land. The new concept is the Polaris missile which is delivered from a submarine. When the Polaris missiles are delivered to the United Kingdom as part of the multilateral force, Britain will not have her independent nuclear deterrent power any more to the same extent, excepting to use these in a case of supranational emergency.

Mr. Chairman, I am going to read the paragraphs in question from the communique. They illustrate in a most striking way the state of flux of the defence of the free world. The communique shows that changes are taking place, and I will read the various paragraphs that set this out:

> The president informed the prime minister that for this reason—

That was, that it was very complex, and so on:

> —and because of the availability to the United States of alternative weapons systems, he had decided to cancel plans for the production of Skybolt for use by the United States. Nevertheless, recognizing the importance of the Skybolt program for the United Kingdom, and recalling that the purpose of the offer of Skybolt to the United Kingdom in 1960 had been to assist in improving and extending the effective life of the British V-bombers, the president expressed his readiness to continue the development of the missile as a joint enterprise between the United States and the United Kingdom, with each country bearing equal shares of the future cost of completing development.

Then the Prime Minister of the United Kingdom, while recognizing the value of this offer, decided after full consideration not to avail himself of it because of doubts which had been expressed about the prospects of the success of the enterprise. As an alternative, the president offered the Hound Dog missile; but the Hound Dog missile cannot be used on British aircraft because it would put the bottom of the aircraft too close to the ground, causing danger to those operating the planes.

The statement continues:

> The Prime Minister then turned to the possibility of provision of the Polaris missile to the United Kingdom by the United States. After careful review, the President and the Prime Minister agreed that a decision on Polaris must be considered in the widest context both of the future defence of the Atlantic Alliance and of the safety of the whole free world... The Prime Minister suggested and the President agreed, that for the immediate future a start could be made by subscribing to NATO some part of the forces already in existence. This could include allocations from United States strategic forces, from United Kingdom bomber command, and from tactical nuclear forces now held in Europe. Such forces would be assigned as part of a NATO nuclear force and targeted in accordance with NATO plans.

Finally, they came out in favour of this multilateral NATO nuclear force. Returning to the Polaris, the president and the prime minister agreed that the purpose of their two governments with respect to the provision of the Polaris missiles must be the development of a multilateral NATO nuclear force in the closest consultation with other NATO allies. Accordingly, they agreed that the United States would make available a contribution of Polaris missiles on a continuing basis for British submarines and that the nuclear warheads for Polaris missiles should also be provided. These forces, and at least equal United States forces, would be made available for inclusion in a NATO multilateral nuclear force. At the same time, while they set up this multilateral force in embryo, the last paragraph points out that the president and the prime minister agreed that in addition to having a nuclear shield it was important to have a non-nuclear sword. For this reason, the communique concludes, they agreed on the importance of increasing the effectiveness of their conventional forces on a world wide basis.

That is a tremendous step—a change in the philosophy of defence; a change in the views of NATO, if accepted by the NATO partners. Certainly it represents a change in the views of two nations which play such a large part in the NATO organization. They went further, as I understand it. They concluded that the day of the bomber is phasing out. Britain wanted a striking force of its own. Britain needed a delivery system produced at the lowest cost. Hence, the Skybolt. With the advent of the Polaris missile the United States believed there was no longer need for the Skybolt, and this was agreed to by the Prime Minister of the United Kingdom. Who

made the mistake? Are they to be condemned? No less than $600 million was spent on the development of the Skybolt which was believed to be the essence of defence measures for the United Kingdom itself. I point this out because everywhere in the world, as a result of Khrushchev's changing moods, and vast improvements in technology both with respect to defensive and offensive warfare, the decisions of today are often negatived tomorrow.

When I say there has been a change, let me point out this fact. Only today, in a dispatch from Washington, it is reported that President Kennedy called Livingston Merchant, a veteran diplomat, out of retirement to lead a government team which will prepare United States proposals for a nuclear force in Europe. This was announced yesterday in a statement read to the press by the president's press secretary. The report says that although United States and British efforts to create a nuclear striking force under NATO have run into stiff resistance from the French, Mr. Salinger—he is the secretary—said: "Mr. Merchant and his group will talk with French officials as well as with officials from other NATO countries." All of us know the kind of man Mr. Merchant is—one of those dedicated servants who, in his period of office did so much to increase the good relations between our country and the United States.

Concepts are changing. I do not intend to go now into many particulars but I ask hon. members who say there is no new strategy to read the article in one of the December issues of the *Saturday Evening Post*. The heading is "Our New Strategy—the Alternatives to Total War", and the viewpoint given is that of Mr. McNamara, the secretary of defence of the United States.

Only on Wednesday, the Turkish government is reported to have announced that Jupiter missiles were being removed from Turkey and Polaris weapons substituted. A similar announcement was made yesterday, I think, by Premier Fanfani of Italy. As far as these missiles are concerned, the reported proposal to replace the present missiles in Italy and Turkey by submarines mounted with Polaris missiles is an example of the rapid changes of these times. Obsolete missiles in vulnerable positions are being replaced by a relatively invulnerable weapon. I cannot altogether understand what the Leader of the Opposition (Mr. Pearson) meant by his observation that we should no longer produce anything which will become obsolete. After all, that has been the whole history of the development of defence in the last 17 years since the end of the war. Since they are mobile, these Polaris missiles can be put in position or removed as the situation requires. They can be centrally controlled by NATO or another agency. By having the weapons stationed at sea the provocation of having them mounted on the territory of close U.S.S.R. neighbours is removed. Because they are relatively invulnerable, their effectiveness as a deterrent is all the greater.

I propose to review some of the views expressed by this government on the question of defence and to go back over some of the various statements which have been made. I do this because it seems passing strange to me that the Leader of the Opposition only found them out after his trip to the United States—or only revealed that he had found them out then. I say this because I dealt with the situation in detail here in the House of Commons on February 20, 1959. I ask hon. members to read *Hansard*. They will find I said this—

Mr. Martin (Essex East): What page, please?

Mr. Diefenbaker: Page 1223. I said that in keeping with the determination that Canada should carry out its task in a balanced, collective defence—

> In keeping with that determination, careful thought is being given to the principles which in our opinion are applicable to the acquisition and control of nuclear weapons. The government's decisions of last autumn to acquire Bomarc missiles for air defence and Lacrosse missiles for the Canadian army—

One doesn't hear anything more about Lacrosse missiles—

> —were based on the best expert advice available on the need to strengthen Canada's air defence against the threat to this continent and on its determination to continue an effective contribution to the NATO shield.
>
> The full potential of these defensive weapons is achieved only when they are armed with nuclear warheads. The government is, therefore, examining with the United States government questions connected with the acquisition of nuclear warheads for Bomarc and other defensive weapons for use by the Canadian forces in Canada, and the storage of warheads in Canada. Problems connected with the arming of the Canadian brigade in Europe with short range nuclear weapons for NATO's defence tasks are also being studied.

It set this out in great detail. There is no concealment. There is complete revelation of what we are doing. I could read from *Hansard* year by year. As found at page 1223 of *Hansard* for 1959, I said this:

> It is our intention to provide Canadian forces with modern and efficient weapons to enable them to fulfil theri respective roles... it is the policy of the Canadian government not to undertake the production of nuclear weapons in Canada... We must reluctantly admit the need in present circumstances for nuclear weapons of a defensive character.

Then again as the Leader of the Opposition said, on a number of occasions I stated that there was no expectation of an early conclusion of a formal agreement. On January 18, 1960, as found at page 73 of *Hansard*, I said this:

> Eventually Canadian forces may require certain nuclear weapons if Canadian forces are to be kept effective.

Then again:

> Negotiations are proceeding with the United States in order that the necessary weapons can be made available for Canadian defence units if and when they are required.

That was always of the essence throughout in the stand that we took. I cannot comment in detail on these negotiations but I wish to state that arrangements for the safeguarding and security of all such weapons in Canada will be subject to Canadian approval and consent. Then again on February 9, 1960:

> If and when Canada does acquire nuclear weapons it will be in accordance with our own national policies and with our obligations under the north Atlantic treaty.

Again on July 4, 1960, I said a similar thing. As found at page 5654 of *Hansard* I said this:

> —in so far as general policy is concerned we are always in this position. On the one hand we are desirous of attaining disarmament; on the other hand we have to discharge our responsibility of ensuring to the maximum degree the security of the Canadian people. So far as that is concerned—

And so on. Again in July I mentioned the matter and again in August:

> —We are, therefore, going ahead with the procurement of vehicles which can use these nuclear weapons, but the decision as to the acquisition of the nuclear warheads depends on circumstances which might develop some time in the future.

Throughout we have followed that course. I do not wish to fill the record, but again on November 23, 1960, I was asked to give a report and I said I would refer the hon. gentleman to what was said on January 19 and February 20, both in 1959; January 18, 1960; February 9, 1960; July 4, 1960 and July 14, 1960. On November 30 I said this:

> —the position of Canada is completely unchanged. We have made it perfectly clear that when and if nuclear weapons are required we shall not accept them unless we have joint control,—

There has been no suggestion at any time of any watering down of that stand. Then again on September 20, 1961:

> However, and I emphasize this, in each of the instruments that we have, the Bomarc and the Voodoos, nuclear weapons could be used. The defensive weapons requirements of Canada and the need for the preservation of security will be the overriding consideration in the mind of this government.

And so on throughout the entire piece. Then, as well in various speeches made outside of the House of Commons I underlined this fact, namely that we were in a position where nuclear weapons could be secured and would be secured in the event that the circumstances at the time made such a course reasonable and necessary. I went further in that connection when I said this:

> Would you in 1961, faced by the overwhelming power of Soviet might in East Germany close to West Berlin with large divisions fully armed, would you place in the hands of those who guard the portals of freedom nothing but bows and arrows? They would stand against overwhelming power—it is as simple as that.

Throughout the election campaign I followed the same course. In the two speeches I made before the United Nations I asked, as had the Secretary of State for External Affairs, and as did the Leader of the Opposition today, for the abolition of nuclear weapons, the end of nuclear weapons, the systematic control of missiles designed to deliver nuclear weapons of mass destruction, the designation and inspection of launching sites for missiles, the abolition of biological and chemical weapons and the outline of outer space for military purposes. That has been our course throughout.

During the election campaign, however, with the change in circumstances that had been taking place from the point of view of defence, I outlined the position of this party in a speech which I made in Brockville. It was not too successful, judging by the results, but I spoke there during the campaign and I said this:

> We shall not, so long as we are pursuing the ways of disarmament, allow the extension of the nuclear family into Canada... We do not intend to allow the spread of nuclear arms beyond the nations which now have them.

Those in short are the views expressed, with one exception. Today the Leader of the Opposition said that when we brought into Canada the 60 F-101B interceptors, it was clearly understood that they would be armed with nuclear weapons. On June 12, 1961, I set out in detail the arrangements that had been arrived at between Canada and the United States. I think I had better read from it:

> —for some time representatives of the Canadian and United States governments have been working on an agreement relating to the defence of Canada, more particularly to air defence and to the Canada-United States production sharing program. The objective of such an agreement was to reflect the desire of both governments to ensure more effective use of the productive capacities, skills and resources of each country and at the same time to demonstrate our mutual determination to improve the defensive strength of NATO and particularly of NORAD under it...
>
> In consideration of the financial and other benefits which will accrue to the United States as a result of Canada's assumption of additional

responsibilities under the Pine Tree agreements, Canada will be furnished with 66 F-101B interceptor aircraft and appropriate support equipment. These aircraft, title to which will be vested in Canada, will be armed with conventional weapons.

Today the Leader of the Opposition said otherwise. That is the background. That is the recital of some of the stands we have taken and which are consistent throughout and which, when read in conjunction one with the other reveal the situation as we saw it. The Leader of the Opposition said, "Let us be bold; we have a policy. The government has not a policy but we have a policy". Well, I am not going to follow the Leader of the Opposition throughout the entire course of his migrations through change in connection with this problem, but I am going to refer to some of the oscillations and vacillations. I am going to try to carry hon. members through the jungle of uncertainty that he built up on behalf of the opposition during a period of several years.

In 1958 he proposed that nations manufacturing atomic weapons should agree not to do so in the future. But that did not prevent him from approving the continuing increasing sale of Canadian uranium to the United States, the chief buyer and the chief maker of atomic weapons. Furthermore, regarding the use of nuclear weapons by Canadian forces he said on the 17th of March, 1960: "There is every doubt and confusion".

What was the stand of the Liberal party? On January 18, 1960, he said: "We should not accept baby nuclear bombs or missiles". On July 15, 1960 he said: "The middle powers should have a self-denying ordinance in nuclear weapons." On August 5, 1960 he said: "Canada should get out of Bomarc operation." Hon. members will have difficulty following me though I am reading from the same gentleman.

On August 5, 1960 he said that NATO should build up its own deterrent force. On the same date, a few lines later, he said he was not suggesting a NATO strategic force. On August 5, 1960, he also said that Canada should reject nuclear weapons for its forces. On the same date a few lines further down he said: "But this should be subject to re-examination."

Be bold. Be imaginative. Be direct.

An hon. Member: Be decisive.

Another hon. Member: Begone.

Mr. Diefenbaker: On March 28, 1961 he said that NATO should rely less on a nuclear deterrent. On April 27, 1961, he said in effect that over-reliance on a nuclear deterrent was a fear of his. A few lines further down he said: "A nuclear deterrent is absolutely essential." Then on September 14, 1961, he said:

Canada is not making any effective contribution but we should not accept nuclear weapons in Europe.

I have heard enough of this story.

An hon. Member: Is this all in one speech?

Mr. Diefenbaker: It is the same thing over and over again. Now we are to be more direct and more certain. I am going to come to the latest policy because he has pulled two or three props from underneath it as a result of losing some supporters. What is the next statement?

Canada's role should not be a fighting role.

That was September 15—

Mr. Pearson: On a point of order, Mr. Chairman, the Prime Minister is reading a lot of statements which he attributes to me. He knows the rules, I assume, and therefore he should identify each statement as he makes it, giving the source and the date.

Mr. Diefenbaker: All right. I will now follow the admonition. If the hon. gentleman wants identification he will receive it. I always wait for that. It seems they never learn. We start off with a report of the Liberal convention in Ottawa in the Ottawa *Journal* of January 10, 1961.

Mr. Pearson: You have already put that on the record.

Mr. Diefenbaker: He wants proof. "Pearson Proposes Non-weapon Role In NORAD." That is in big enough letters that it needs no further identification.

Mr. Pearson: That is a headline.

Mr. Diefenbaker: He went on to say that Canada should do away with interceptors, manned and unmanned, but co-operate with the United States in the role of air detection, identification and warning. That is when the Falcon became a bird watcher. The same suggestion was also embodied in a policy paper presented to a rally subcommittee on defence.

What Mr. Pearson's policy amounted to was Canadian participation in NORAD in so far as radar stations are concerned but withdrawal in so far as interceptors and the Bomarc anti-aircraft missile are concerned.

That is number one. He asked for proof. I have got the document here. It is issued with that reddish superscription.

Any extension of the possession of nuclear weapons under individual national control will greatly increase the danger of accidental outbreak of nuclear war and also the difficulty of achieving disarmament. Membership in the nuclear club, therefore, should not be extended beyond the four

countries which now possess such weapons... Canada cannot deny nuclear weapons to other nations and at the same time arm her own forces with them.

What a tortuous course.

A new Liberal government, therefore, should not acquire, manufacture or use such weapons under separate Canadian control or under joint United States-Canadian control.

I have been told over and over again about our course. I realize the complexity when the Leader of the Opposition stands up today in shining armour and in a voice full of emotion tells us in this house what should be done. If we had listened to this advice in the past, where would we have been?

Mr. Pearson: Where have you been?

Mr. Diefenbaker: He says: "Let us be consistent". Let me read on from there.

Canada should continue to play an important part in the defence policy of NATO which seeks security through collective action. However, NATO's objectives and the means of achieving them should be reconsidered in the light of the conditions of today rather than those of 12 years ago. The nuclear power of the United States is necessary as a strategic deterrent as long as the Soviet union maintains massive nuclear forces. But the use of this power might convert a limited attack into a general and fatal nuclear war and its non-use might mean an easy triumph for the aggressor if there were no adequate alternative defence. The sound alternative is to build up NATO shield forces adequate to prevent a communist attack.

That was the policy of the Liberal convention B.G.—before Gordon, in January of 1961. I do not like to put these things on the record.

Some hon. Members: Oh, no?

Mr. Diefenbaker: However, I felt that the house would like to have a handy and ready reference to what the hon. gentleman describes as courageous consistency.

The Soviet union has strong forces for such an attack now in process of being armed with nuclear tactical weapons. If after re-examination of its defence policy the NATO council formally decides that conventional forces should be reinforced by nuclear weapons solely for defensive tactical use, then Canadian forces under NATO command should possess such weapons.

I shall return to that in a moment because that was the policy at that time. On November 7, 1961, he spoke in Quebec and there is this headline over the report: "Liberals Would Reject Bomarcs, Says Pearson". Then, surprisingly enough he spoke in a by-election in Labelle, in which one of the Bomarc sites was located. He says do not bring politics into this thing, and then we read what he said to the people of Thurso, Quebec as reported by Paul Dubois in the Ottawa *Citizen* of October 29, 1960:

Referring to the planned Bomarc base at Montpellier, located in the northern extremity of Labelle riding, Mr. Pearson condemned the government's plans to equip the missiles with nuclear warheads, missiles that would be controlled by the United States. A nuclear deterrent may be necessary for the United States but not for us and other countries.

Then we find these words, and you can just hear the emotion packed into these words as he appealed to that great gathering. I think there were 30 or 40 present.

If Russia ever attacked North America and specifically Canada, Montpellier would be a prime target for the Russians. Montpellier and communities for hundreds of miles around would be reduced to ruins.

Now, there was a reference to this policy in connection with NORAD. There is a reference in the magazine *Canadian Commentator* dealing with the policy that was announced:

This month's Liberal party rally has provided a dismaying example of what must happen if a military problem is resolved entirely on the basis of political considerations. The problem in question was that of Canadian participation in the North American Air Defence Command. The resolution, as it was reported, suffers somewhat from confused terminology—it approves "identification" of suspected aerial intruders by Canadian fighter aircraft, but not "interception," although the former action is not possible without the latter. Still, it is quite clear what the stand is which the Liberals are taking in this matter: They want to leave all arrangements as they are except that Canadian forces in NORAD would not actually shoot. In other words, we would warn the Americans that the enemy was coming, we would tell them who he is, we would fix and track him, but then we would virtuously withdraw and let the Americans do the killing.

Then, finally, they came out with this policy. I do not know who claims the paternity of it but certainly it was not the Liberal party who presented it. The hon. member for Lambton West has been swallowing himself ever since; he did not know anything about it. He announced in advance it was going to be a policy which was going to be anti-nuclear weapons. There were others in the same position. I have read this over, and I suggest everyone read it over because it is a most interesting piece of work.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I am glad to see the hon. member for St. Lawrence-St. George because he is certainly one who needs some information about it. Now then, we are—

Mr. Drury: Mr. Chairman, just on a point of personal explanation for the benefit of the Prime Minister—

Mr. Diefenbaker: I am sorry; the identification was wrong but the interception was right.

Mr. Drury: I am glad the Prime Minister recognized his mistake.

Mr. Diefenbaker: I quote:

Canada should contribute to the strategic nuclear deterrent.

Who makes this declaration of policy, this ringing declaration?

Mr. Pearson: Will you read that again?

Mr. Diefenbaker: What was that?

Mr. Pearson: Mr. Chairman, the Prime Minister has just read a statement in which he said that I said Canada should contribute to the strategic nuclear deterrent. It reads "Canada should not contribute". There is a "not" there.

Mr. Diefenbaker: I am reading from the report of the hon. gentleman's speech.

Mr. Pearson: Read it again.

Mr. Diefenbaker: I say that there will be no additional—

Mr. Pearson: Read it again.

Mr. Diefenbaker: There will be no additional knowledge for anybody reading it a second time.

Mr. Pearson: Just read it correctly.

Mr. Diefenbaker: I did not interrupt the hon. gentleman; I listened to him.

Mr. Pearson: You just left out the word "not".

Mr. Diefenbaker: We are going to have nuclear weapons; that is what they are for, you think, and then read on:

The government should re-examine at once the whole basis of Canadian defence policy. In particular, it should discuss with the United States and with NATO a role for Canada in continental and collective defence which would be more realistic and effective for Canada than the present one.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Some of them have heard it for the first time. I continue quoting:

This examination would be concerned, among other things, with the necessity of building up NATO's conventional forces and the part Canada could play in this. However, until they are changed, a new Liberal government would put Canada's armed services in the position to discharge fully commitments undertaken for Canada by its predecessor.

What do these weasel words mean? What has been the reaction in the United States to them? Well, in the Toronto *Star* of January 15, 1963, there is an article by Martin Goodman which reads as follows:

Hon. Lester Pearson's attempt to clarify Liberal defence policy has further confused U.S. observers.

Canada will honour commitments, he says, and then the article continues:

Meanwhile the government re-examines Canada's defence policy with Pearson's obvious intention to shift to a non-nuclear role.

Presumably six months or so later, the troops would stop training, the warheads and technical personnel would depart. Canada would have a new policy, but would be no closer to its implementation than it is now.

Now, that is the United States view. What about the Canadian view? All across this nation one finds one editorial after another asking, what is the meaning of this policy? Some editorials say, "More confusing". This is what the Calgary *Herald* says:

Just exactly where does Hon. Lester B. Pearson, national Liberal party leader, stand on the subject of nuclear warheads for Canada's armed forces? Up until last Saturday it was understood that he opposed them. On Saturday he announced that he is now in favour of Canada acquiring them.

A sigh of relief could be heard across the land.

At last a major political party was prepared to argue on behalf of this country fulfilling its mutual defence commitments.

But such rejoicing as was occasioned by hearing what has become an unusual sound in Canada, a strong, bold voice of leadership, turned to puzzlement and dismay on Wednesday.

In another public pronouncement then—

That was the Algoma East revised version.

—Mr. Pearson indicated that maybe nuclear warheads are not the answer after all.

Maybe it would be better to change Canada's commitments to NATO and NORAD, he said.

The editorial ends up in this way, and the Calgary *Herald* has strong feelings on this:

But in his Wednesday speech he undid much of the good impression he made four days previously.

They should have heard him today with his further revision.

Perhaps he did not make himself perfectly clear on Wednesday. But why create doubts? Exactly where does he stand now? A good many puzzled citizens would very much like to know.

So, I could go all across this country. I could continue and quote editorials from all across the country. He said the problem was confused and complicated, but to try and follow the course that has been taken by the opposition in this matter is to endeavour to follow a pathway of irresponsibility, a policy of shift, a labyrinth in shuffling, confused and contradictory.

I wish to give someone an opportunity to follow me because I know they want to do so, but I could go on with the quotations. However, that opportunity will come later. There is however one further one to which I wish to make reference, the considered statement of the Leader of the Opposition made on August 5, 1960, as reported at page 7606 of *Hansard* for that date.

In my view we should get out of the whole SAGE-Bomarc operation, and we should not spend any more money on radar gap fillers . . . It seems to me . . . that our experience in the last three years has shown that in attempting to participate in continental defence in the way we have, we are becoming, nothing more than just the last two knots on the Bomarc tail of the defence kite. I believe that in getting out of this position, which

I consider to be an ineffective one for Canada, we would be rejecting the use by us of any form of nuclear weapons for what is mistakenly called the defence of our territory. I believe, however, that we should continue the part we are now playing in early warning operations, though they will be of diminishing importance—

It is one of those things that caused delays, and hours of concern and worry. We ask "Are we doing what is right?" Well, I can tell you that we have not in any way broken any of our undertakings. We have at all times maintained the best defence that we have been able to, on the basis of the information we had at the time.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: To summarize our viewpoint, there is a will to peace, as the Secretary of State for External Affairs said yesterday. There is progress being made. We must maintain our defence. We shall not allow Canada to be placed in a subservient or unsovereign position. We shall follow the course that we have been following—one that has been consistent. It has been one of calm consideration of the matters as they arise.

We know, as the Leader of the Opposition said, that the way to prevent nuclear war is to prevent it. What course should we take at this time? I emphasize what I have already stated, that we shall at all times carry out whatever our responsibilities are. I have said that strategic changes are taking place in the thinking of the western world, and there is general recognition that the nuclear deterrent will not be strengthened by the expansion of the nuclear family. With these improvements in the international situation, this is no time for hardened decisions that cannot be altered. We must be flexible and fluid, for no one can anticipate what Khrushchev will do.

A meeting is about to take place in Ottawa of the NATO nations. They will meet here on May 21 to 23 and the very fact that they are meeting here indicates the attitude towards Canada and the feeling of the NATO nations towards her. As was said by the Leader of the Opposition when they met here previously, it represented a recognition that Canada had a very important part to play.

What shall our attitude be? It will not be one of recklessness, not one of making final decisions in the face of a changing world. I mentioned Nassau a moment ago and, as one examines what took place there, he realizes that we are living in a new and changing world of defence realism.

The Leader of the Opposition says all the F-104G aircraft have been delivered.

Mr. Pearson: I never said that.

[Mr. Diefenbaker.]

Mr. Diefenbaker: You did not say that? I am sorry. My interpretation was that he repeated over and over again that that was so. The total number that has been delivered is one squadron. Following SACEUR's recommendation, as we saw the situation in 1959 and as I said earlier in my remarks, we undertook to equip our squadrons assigned to NATO for a strike reconnaissance role, which role would include the mission of delivering nuclear weapons. No one was under any misunderstanding in that connection. Parliament approved this program and appropriated the funds.

I have said earlier that all the nations made mistakes, $3 billions worth of mistakes and more, up to 1960 but the fact that a mistake may have been made, or may not have been made, should not be a basis for the continuation of a policy just because to admit it would be wrong. Delivery of the F-104G has commenced, but the strike reconnaissance role has been placed under doubt by the recent Nassau declaration concerning nuclear arms, as well as other developments both technical and political in the defence field. It will be necessary, therefore, at this meeting in May, for Canada to give consideration to this matter and we will, in co-operation with the nations of NATO, undertake a clarification of our role in NATO defence plans and disposition.

We are united in NATO. We have never and will never consent to Canada breaking any of her pledged words or undertakings. It is at that meeting, where there will be reviewed the entire collective defence policy, that we shall secure from the other member nations their views, and on the basis of that we will be in a position to make a decision, a consistent decision, first to maintain our undertakings and second, to execute, if that be the view, the maintenance of our collective defence. In the meantime the training of Canadian forces in the use of these weapon systems can continue.

So far as NORAD is concerned I have said at the beginning of my remarks that Canada's sovereignty must be maintained. We shall continue our negotiations. They have been going on quite forcibly for two months or more.

Mr. Harkness: For two or three months.

Mr. Diefenbaker: Yes, they have been going on for two or three months. Sometimes I wonder whether that is the reason the Leader of the Opposition rushed in with his statement the other day, because he found that out and knew about it. But there was never any concealment of the fact. We will negotiate with the United States so that, as I said earlier, in case of need nuclear warheads will be made readily available. In

other words, we will be in a position to determine finally, in the interests of Canada and our allies, the course to be followed in the light of changing circumstances in the disarmament field, which have become encouraging recently through Khrushchev's acceptance of even a minimum observation of nuclear testing. We will discuss with the nations of NATO the new concept of a nuclear force for NATO. If that concept at Nassau is carried into effect, much of our planning in the past will pass out of existence.

Mr. Chairman, it is so easy to say what should be done. Conscientiously and honestly we have tried, in the face of changing conditions, to bring about peace. We do not want to do anything at this time to rock the boat. If in the progress of disarmament it is found that we are beginning to approach that new era that all of us look forward to, the NATO nations meeting together can make that determination in agreement that is best for each and all. If, on the other hand, there is going to be set up a multilateral nuclear force, then all our planning to date, or most of it, will be of little or no consequence. I know they say, "Make decisions. Be concrete; be direct". Mr. Chairman, recklessness was never evidence of decisiveness. We will, as a result of the fullest discussion and consideration, determine a course which I believe now means a vast alteration in all the defensive techniques that we have accepted in the last few years, and we will come back to parliament and place before it the considered view of this government.

Mr. Hellyer: You will come back when?

Mr. Diefenbaker: I throw this back to the opposition. We never sold Canada. We have never in any way made undertakings that we have not carried out. Canada has a proud record. The opposition should not try, for political purposes, to besmirch that record. All of us should be true Canadians when facing a problem that touches the heartstrings of each and every one of us. My prayer is that we will be directed in this matter. Some may ridicule that belief on my part. I believe that the western world has been directed by God in the last few years, or there would have been no survival. I believe that will continue. My prayer is that we shall so live as to maintain not only the integrity of Canada and its high reputation by carrying out our responsibilities, but at the same time that we will be right, that the Canadian people will be able to say that, whatever decision is made, it was made with every consideration being given to all those moral and psychological things that form one's make-up.

I would rather be right, Mr. Chairman, so that those who come after may say, "He refused to be stampeded. He refused to act on the impulse of the moment. He and his colleagues together, with the support of the Canadian parliament, brought about a policy, in co-operation with their allies and by influence over their allies, that led to the achievement of peace".

The Chairman: The hon. member for Trinity.

Some hon. Members: Oh, oh.

Some hon. Members: Shame.

Mr. Douglas: On a point of order, Mr. Chairman—

Mr. Hellyer: Mr. Chairman, we have witnessed in this two-day debate an incredible spectacle—

Some hon. Members: Order.

Mr. Fleming (Eglinton): The hon. member has risen on a point of order, Mr. Chairman.

The Chairman: Order.

Mr. Douglas: On a point of order, Mr. Chairman, the period of time set aside for this debate was two days. Yesterday each of the parties had an opportunity to speak. Today the two major parties have occupied the entire day. I do not object, because the Prime Minister and the Leader of the Opposition had a right to make full statements, and they came very close to taking almost two hours apiece. But now to deny either of the other two parties an opportunity to take part in the conclusion of this two-day debate seems to me, Mr. Chairman, to be sheer discrimination.

The Chairman: Order. I regret the comment of the hon. member for Burnaby-Coquitlam. The Chair, in exercising its judgment in this rather difficult situation, with ten minutes to go before the allotted time elapses, was put in a very embarrassing position if it was to discriminate between either of the two parties at the far end of the chamber. This was the problem that I had in mind. No private member from either the government or the opposition side has at any time in the past two days been permitted to speak and—

An hon. Member: What about the hon. member for Essex East?

The Chairman: I should correct that by saying that they have not been called, because obviously they have risen and then other hon. members have been given the floor. I thought that was a fair and equitable way of settling the question in this short period of ten minutes. If I had recognized

an hon. member of the Social Credit party I am sure the hon. member for Burnaby-Coquitlam would have been unhappy—

Some hon. Members: No.

The Chairman: —or vice versa. In closing the remarks on this subject, let me say that any member of either of those parties is perfectly at liberty to move that a member of his own group be heard, although I have now given the floor to the hon. member for Trinity.

Mr. Knowles: As a matter of fairness, I move that the hon. member for Villeneuve be now heard.

The Chairman: Would the hon. member for Winnipeg North Centre put his motion in writing?

Mr. Hellyer: In the circumstances I have no hesitation in yielding the floor, if that is the general wish of the committee.

The Chairman: I thank the hon. member for Trinity for his co-operation.

(Translation):

Mr. Caouette: Mr. Chairman, I wish to thank sincerely the hon. member for Trinity (Mr. Hellyer) and the hon. member for Burnaby-Coquitlam (Mr. Douglas) for the courtesy they have extended to me. In fact, I believe that both minority parties represented here should have the opportunity, during this second day of the debate, to put forward their views concerning the external affairs and the national defence of this country.

Mr. Chairman, we have listened with interest to the speeches made by the Leader of the Opposition (Mr. Pearson) and by the Prime Minister (Mr. Diefenbaker), and we must admit that neither of them have enlightened us very much, although they spoke for nearly two hours each. This reminds me somewhat of what Mr. Clemenceau said after the first world war:

I apologize to the memory of Attila and of his like, but the art of keeping people alive is much more complex than that of slaughtering them.

Mr. Chairman, during the whole day we have heard about national defence, armaments or nuclear weapons. We have heard also about possible attacks, to such an extent that we might have thought we were on the verge of a national, international or world conflict, while people like you and I are not thinking about any conquest nor seeking to stock nuclear weapons in Canada, but merely security, accompanied by freedom.

Mr. Chairman, national defence has been described to us as being the main problem

of the Canadian government. In fact, the Leader of the Opposition stated that national defence should be based on national security, which we now have. And while he has managed to find out the weak points in the government, which cannot take a stand for or against and which seems to say: "Are we in favour of nuclear weapons or not?", the Leader of the Opposition did not say, however, what he would do if he were in the place of the government.

Two or three times he gave us to understand that if the Liberal party were re-elected he would perhaps have some changes made, in order that we would not be in need of any nuclear warhead nor anything else like it.

Mr. Chairman, yesterday evening, when the Leader of the Opposition opened his remarks, the hon. member for Lapointe (Mr. Gregoire) rose on a point of order to make the following remarks:

Would the house consent to General Norstad sitting beside the Leader of the Opposition while the latter delivers his speech?

And the Leader of the Opposition (Mr. Pearson), with his usual spirit, his fluency of speech and especially his quick-wittedness, managed to say:

Mr. Chairman, that intervention represents the level of intelligence of the hon. gentleman with regard to General Norstad—

Of course, he is the only one in this house who can understand General Norstad.

—I may say that I would rather have General Norstad, a NATO commander and therefore a servant of Canada, sitting beside me than Mr. Hitler or any of his henchmen.

Mr. Chairman, I do not know what the leader was referring to when he made that statement. But I still say this to him: I would not like to have near me or by my side in this house neither Hitler, nor General Norstad, nor even the Leader of the Opposition who cannot act up to his convictions as a Canadian, on behalf of the Canadian people who are ready to give their lives and their blood for their country.

And it is this man who comes here and tells us, in a two-hour speech: "What would we do in Canada if we did not have the United States to tell us what to do? What would we do in Canada if we did not have General Norstad to tell us what to do, to teach us nationalism or internationalism?"

Mr. Chairman, any Canadian, whether the leader of a political party, Liberal or anything else, who is not able to assume his responsibilities as a Canadian any better than the Leader of the Opposition did today, does not even deserve the confidence of his own followers.

The Leader of the Opposition also ventured this afternoon to hold up to ridicule the leader of our party, the hon. member for Red Deer (Mr. Thompson), when he tried to prove that our leader contradicts himself, that he makes a statement in the west, another kind of statement in a different province and still another one elsewhere.

The leader of our group took part in the discussion yesterday. He called the attention of the house to the present situation in Canada. Among other things, he has put forward the general policy of our party.

That policy is not for one province only or for one area of our country, but for the whole of Canada.

This is what the leader of our party said:

First of all, what are the logical policies which develop out of this approach?

Let us face up to the problem as it is.

On behalf of my party, I pledge that Social Credit will never adopt or support a defence policy whereby Canada adopts or makes use of offensive weapons of indiscriminate or uncontrollable mass destruction. Canada should rather use its best efforts to promote the complete abandonment of this type of armament throughout the world, through effectively supervised multilateral international agreement.

(Text):

Progress reported.

Mr. Speaker: When shall the report be received? Now?

Mr. Knowles: We wonder if the house would give unanimous consent to continuing to deal, during the hour from five to six, with the business which we have had before us up to this point. I raise the matter because the bills at the top of the list are in the names of members of this group. I refer particularly to my friend the hon. member for Kootenay West, whose bill would be called. We would be willing that this hour be given to the debate on external affairs.

Mr. Pickersgill: I would point out to Your Honour that it does not matter whose bill is at the top of the list. If the time is sacrificed, it makes it that much more difficult for the other bills to be heard. We see no reason whatever for deviating from the normal rules of parliament.

Mr. Speaker: It has been proposed to set aside the rule applicable for private members business, but it would require the unanimous consent of the house. Is it the wish of the house that the house revert to committee?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Yes.

Mr. Pickersgill: When I rose, Mr. Speaker, I did so simply to point out that for my part I saw no particular reason for this procedure. However, if it is the general view of the house that it would be preferable to go on with this debate, I certainly should not like to be the only member of the house who stood in the way of doing so. In the circumstances I would suggest that we make it unanimous.

Mr. Speaker: Is it unanimously agreed?

Some hon. Members: Agreed.

SUPPLY

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

DEPARTMENT OF EXTERNAL AFFAIRS

1. Departmental administration, $7,305,200.

Mr. Caouette: Mr. Chairman, I am very grateful to the members of the New Democratic party for their courtesy. My wish is that justice be given to the New Democratic party right after I am finished with my comments.

(Translation):

Mr. Chairman, I was quoting the points made yesterday by the hon. member for Red Deer with regard to the use of atomic arms.

He dealt with the following point:

The second point concerns whether or not Canada should acquire defensive nuclear weapons at this time—

That is the position now. The hon. member for Red Deer does neither establish nor analyse any of those principles, but he looks at the facts and takes them exactly as they are.

—at home or with NATO. The leader of the Liberal party has said that we must acquire nuclear armaments in order to keep our commitments with NORAD, with NATO. This is a reversal of the policies he enunciated up until the last couple of weeks.

And the Prime Minister gave us a striking example when he quoted from the statements the Leader of the Opposition made one, two and three years ago.

In the third instance, the hon. member for Red Deer said this:

How can this house make any sound decision before it has the facts. I say that the onus is on the government to make these necessary facts available. We on our side of the house agree that a special defence committee should be set up. It is absolutely imperative that means of continued sound approach to the safety of this country be established. Let us not forget that consideration. We in Social Credit are convinced that Canada's defence policy must not be a matter of partisan politics or party squabbles.

Now, since yesterday we are hearing about that attitude, about the attitude of the various parties in the house.

I noted that the views of the New Democratic party were imbued with a Canadian spirit until its leader mentioned an international government which would establish centralization. In such a case, the hon. member might assume about the same importance as a church warden in some Canadian parish.

Social Crediters insist on having a clear and definite policy. We are against the use of nuclear weapons. We advocate instead the use of essential foodstuffs to feed the hungry people of the world. We would then set a real example of peace in the world, rather than an example of defence. When I speak of true peace, Mr. Chairman, this does not imply an armed peace, as some would have it. When we speak about defence, let us admit that we consider the possibility of a world wide communist attack, from Russia, China or somewhere else.

Well, communism, whether we like it or not, is an ideology and the way to fight efficiently against it, in the world, is not by using atomic weapons any more than by using nuclear bombs or weapons, or rifles, or guns.

One can kill communists, yes. One can put communists in jail, yes. But one cannot kill an idea. The way to fight an idea is with a better idea.

If we do not want to have communism, let us fight it with a better idea, one which, while guaranteeing security and freedom, will be such as to make freedom felt. That is what we Social Crediters are striving to achieve and to make people understand throughout Canada.

In the past, we have seen small countries in a state of extreme poverty sink into communism. Why is Russia not willing to use atomic weapons? It is because she is in the course of winning over the small countries of the world, purely from an economic standpoint, without resorting to war or atomic weapons.

I should like to state here, Mr. Chairman, that Cuba, a small country which is situated close to the American shores, would not be communist now if the free world had helped her when her citizens were dying of hunger as is the case at present in some Asiatic countries.

We appreciate that Canada must have some kind of a defence program in case of attack but we would not go too far in that respect.

We of the Social Credit party believe in the kind of offensive which provides food for those who are hungry and relief for those who are destitute. There is no doubt that there is want in the world today because, according to the press, two thirds of the world's population are living in want.

Instead of having launching pads for Bomarc missiles in the North Bay and La Macaza regions, why not have cold storage plants and grain elevators where we could store commodities to feed mankind and let the world enjoy them, unconditionally, in order to respect the freedom of the peoples as well as that of the families and the individuals, in our country and throughout the world.

Mr. Chairman, debates lasting two or three days, like the one that started yesterday, are not enough to create a climate of security, a climate of understanding between all the countries of the world. I feel that we Canadians, we federal members of parliament, as well as all the national organisations, can be of great help in creating this economic climate and this climate of understanding and unity throughout the world.

The small part that Social Credit can play is directed to promote the progress of Canada on the road to welfare, to security and liberty.

Because we believe in human liberty, we think that a human being must be respected and surely, we shall not do it with nuclear weapons.

I said a while ago and I say it again that if we wish to fight communism effectively in the world, we must put up against it a better philosophy, a philosophy which respects man and allows him to develop himself according to his aspirations, his talent, his capacity, his intelligence and his own will.

Then, we will have created welfare, for the advance of the world on the road to progress. We will have at least contributed in creating that economic climate which every political party as well as every individual is looking forward to all across Canada.

We of the Social Credit are officially against nuclear arms, whether in Canada or outside the country. We are in favour of bread and butter, we are in favour of the hungry people in the world.

(Text):

Mr. Brewin: Mr. Chairman, I have had the honour of speaking to smaller audiences than this, but seldom to more distinguished audiences; and I want to thank the members who made it possible for us to put forward our views once again in this debate.

The key issue in the debate is the question whether or not Canada should accept nuclear warheads either in Canada or for her forces in Europe. The New Democratic party's stand on this matter is crystal clear. We say that for Canada to choose a nuclear role would be a foolish and fatal step. In our view such a decision would be militarily useless, politically disastrous and morally unjustifiable.

The Leader of the Opposition today put on what to me at least was an extraordinary performance. He made a lengthy speech, nearly two hours, justifying his sudden shift in favour of the adoption of a nuclear role. He managed to do so, while failing to advance a single argument to support the idea that such a role was suitable for Canada or would help our alliance one whit. His single pretext for his shift was an alleged commitment that he denounces as a mistake in the first place. In one breath he tells us we have made a bad mistake in accepting a nuclear role, and in the very next moment he says that we should continue the mistake and waste millions and thousands of millions of dollars of public funds to perpetuate the mistake. He wraps himself in a mantle of righteousness when he says we should continue a mistaken policy and after the whole mistaken policy has been carried out we should then proceed to negotiate our way out.

If the government has made a commitment, and I leave that dispute to the Prime Minister and the Leader of the Opposition, it is perfectly obvious that it was a commitment subject to renegotiation in changed circumstances. It is equally obvious that those circumstances have changed in fact. We in this party believe that if any such commitment was made it can and should be renegotiated, and renegotiated now, before we accept nuclear warheads, and not at some future date after we have accepted these nuclear weapons. Indeed, until a few weeks ago when the Leader of the Opposition was converted by some person—I do not know whom—he made perfectly clear that he was of the same opinion himself.

Before I deal once again with the problem of nuclear weapons, I want to make a few more general observations. I believe that the government deserves congratulations on one thing at least and that is on its decision to discuss defence and external affairs together. They are both aspects of the same problem, the security of Canada and its contribution to the security of the world. In our view the Canadian policy for security lacks a proper balance.

The enemy, Mr. Chairman, is war itself. The word that should sink into our minds when we discuss war today is the word "annihilation". We face momentarily, hourly, daily, the possibility of widespread annihilation. This is one of the lessons of Cuba. It is a new phase of human history. It is the supreme challenge of our age. It cannot be met by traditional methods of defence alone. In the long run it can only be met by building a world community and establishing the rule of law. It is not a pious hope for the millenium; it is the immediate and urgent task for today. It is a task which cannot be completed today or tomorrow, but it must be started and carried through every day, including today.

In building a world community we must have regard not only to the menace of communism, of which much has been said in this debate and which is indeed a real menace, but we must also have regard to the striking contrast between the affluent west and the poverty stricken continents of Asia, Africa and South America. It is our view that a generous and effective economic plan, on the same scale of generosity as the Marshall plan, to enable countries such as India to "take-off" on the way to expanding and self-sustaining economies, is a contribution to defence and security just as important as, if not more important than, the contribution to the traditional weapons of defence. I am glad that the Secretary of State for External Affairs is listening.

In this field the whole western world lags, and Canada lags behind the western world. We should like to see a very different proportion between the $1½ billion we are spending on what is traditionally called defence, much of which is admittedly obsolete, and the one twentieth of that sum that we devote to economic aid and technical assistance. We do recognize the need for defence and the need for unity and co-operation in defence. We believe, however, that the form of our defence should look to the future as well as to the present.

One of the basic reasons for urging that Canada should accept a non-nuclear role in defence is that a non-nuclear role—more suitable for many other reasons—would enable Canada's military contribution to be available for use by the United Nations. I suggest that the experience of the past as well as the hope of the future makes this a more fruitful role. Surely it is possible to look beyond the existing nuclear stalemate, the balance of terror and the necessity of military alliances, to a future when peace can rest on the securer foundations of a world system of law. We should today take steps to hasten that day in the future.

It is our view, however, that Canada should contribute to the western alliance. It would be naïve for us to assume, as some do, that war can be avoided by weakness, disunity or unilateral disarmament. It is our obligation to seek by every possible means for multilateral and complete disarmament, the building of a world community and the establishment of the rule of law, and the fullest support for the United Nations does not absolve governments from planning to maintain the security of democratic institutions by building up a balance of power to deter or resist aggression. To this purpose Canada must contribute, and it is only sensible that her contribution should be made in co-operation with those nations to whom she is closely allied by ties of history, geography and common democratic tradition.

However, Mr. Chairman, the very fact that we are in an alliance enables us to contribute to the alliance the particular type of forces which the alliance most needs on the one hand and which this nation or any individual nation within the alliance can most suitably provide. It is our view that Canada's most suitable contribution to the alliance should not be in a nuclear form.

We find the switch of the Liberal party to advocating a nuclear role for Canada incomprehensible, unless indeed they are simply reflecting a view of political expediency and seeking perhaps to mirror rather than lead public opinion on this vital matter.

Mr. Hellyer: We are not.

Mr. Brewin: The commitments, such as they may have been, to NATO were made at a time when the prevailing military doctrine was that tactical nuclear weapons were an essential part of western defence against superior conventional forces. They were made at a time when the essential importance of conventional forces was overlooked. There is an almost unanimous stream of informed opinion that what the western alliance lacks is not nuclear weapons, either strategic or tactical, but adequate conventional forces.

Mr. Chairman, Sir John Strachey, former minister of war in Great Britain, in an article in "Encounter" of last April, called for reversal of NATO strategy. He recognized that there was a general impression that nuclear arms and nothing else were of importance. He pointed out that a nation or alliance which maintains large scale nuclear weapons alone would put itself at an extreme disadvantage as compared to a nation or alliance which maintained both such a nuclear force and adequate conventional forces also. The latter, he said, would almost certainly be able to have its way on all issues of less than life and death importance. Over the years such a series of secondary triumphs might well add up to world hegemony.

Later, he says therefore for NATO to possess no forces on the ground or merely token ground forces, would be a formula for piecemeal capitulation. He further points out the danger of the use of tactical nuclear weapons which the Leader of the Opposition says are so important. The introduction of such weapons to redress the balance between the ground forces was, he said, a wholly unsuccessful move. The wide scale devastation of any country in which they would be used makes it almost certain that any limited nuclear war, or the use of tactical nuclear weapons, would escalate almost at once to a full scale nuclear war.

He goes on to say this; while it may be necessary while the Russians possess tactical nuclear weapons that the west should possess them also for deterrent reasons, it is important that they be held well back, under a separate chain of command, and never integrated with the front line ground forces.

I recommend, Mr. Chairman, to the members of this committee an excellent series of articles by a number of American scientists under the title "Arms Control, Disarmament and National Security". I had intended to give the committee the benefit of some of the observations here, but I am going to cut that short. I should like to refer, however, to a passage on page 310:

> The uncertainties in the use of tactical nuclear weapons remain, even when they are under Anglo-American and Russian control. The disadvantages to either side that would follow from its initiating tactical nuclear war looms so great that it seems safe to predict that this possibility would be delayed until all other less dangerous means were exhausted. In short, more prolonged exposures to the rigours of nuclear strategy have led to increasing disenchantment with proposals for limiting nuclear war. The consequence is a reassessment of the role of conventional land armies in dealing with the explosive clashes of national wills, so as to maintain a risk that is commensurate with the provocation. The basic military mission of NATO is to provide just such a series of graduated responses. In the end the argument leads unavoidably to the conclusion that the only sensible military policy for the west would be to counter the Soviet conventional offensive forces in Europe by conventional counter forces—
>
> —And it is in the redress of this unbalance that the smaller powers could make their strongest contribution to the defensive strength of NATO. This would mean the abandoning of any pretense that the use of nuclear weapons in Europe would be likely to do other than lead to widespread nuclear war.

I point out to this committee in commenting on this passage that the policy which is advocated by the Leader of the Opposition in this house, although he says it is a mistake, is that we should continue that policy of providing troops in Europe with these nuclear

weapons, the use of which this author has said here, and it is perfectly sound, would lead to widespread nuclear war. It is just when these opinions I have quoted, Mr. Chairman, are reaching general acceptance, and when a reappraisal of NATO strategy is in order, that the Liberal party or at least its leadership, have swung to the idea that Canada's role should be to proceed with the installation of nuclear warheads, albeit that a simultaneous effort apparently is to be made to renegotiate its commitment. Whatever this commitment may be, I suggest it is absolutely certain that it is the type of commitment that can be renegotiated before it is put into effect.

As I said before, the Leader of the Opposition in our opinion, clearly in the passage quoted by the Prime Minister and by the hon. member for Burnaby-Coquitlam yesterday, was of the opinion that rapid technological changes and changes in strategic doctrine always make it necessary in this field to be ready to discard the obsolete and dangerous. Yet at this very moment, when it is clear that tactical nuclear weapons are becoming both obsolete and dangerous, we have the Leader of the Opposition urging this country to step into that field.

He seeks to assume the mantle of national honour. In our view there is nothing honourable about insisting on pursuing a course that involves enormous waste of public funds, a misdirection of Canada's whole effort in defence, and a serious handicap to Canada's position as a conciliator amongst the nations.

The hon. member for St. Antoine-Westmount, in what I though was an interesting and worth-while contribution in this house in December, put a number of tests as to what Canada's role should be. I thought one of the most important he put forward was this: Our military function, he said, should not impede or run counter to the possibility of useful diplomatic initiatives which Canada can, and if she can should, undertake in the world. We should not, he said, be estopped from putting forward in the diplomatic field a constructive productive effort on behalf of peace. I could not agree more with the hon. member, and yet the policy which he now espouses seems to me totally inconsistent with that test. The adoption of nuclear arms by Canada cannot help but inhibit Canada from the effort to join with other nations, such as Sweden, in expanding the non-nuclear club, and cannot help but look as though Canada were a satellite of the United States.

In my opening remarks, I referred to the fact that the adoption of nuclear weapons for Canada was not only militarily unsound but also politically disastrous, and I added the words "morally unjustifiable". I do not mean by this that even the great horror of nuclear weapons makes any reliance on them morally wrong. Canada depends upon the deterrent effect of the nuclear power of the United States. However much we regret the balance of nuclear terror, we cannot condemn those who maintain that balance for our advantage. Canada's attitude cannot be that of renunciation of responsibility and the assumption of moral superiority. The reason I say that the adoption of nuclear weapons would be morally unjustifiable is that if, as I have argued, it is militarily unnecessary and politically disastrous, it would be morally wrong to pursue a course that adds to the danger of the proliferation and spread of nuclear capacity and the dangers of its ultimate use.

I concede, Mr. Chairman, to those who believe that Canada has an effective military role, and who believe that Canada would be strengthening and not weakening her political influence, that they may have moral justification for their attitude that Canada should then act accordingly. But I suggest that there is a very heavy onus on those who urge the necessity or advisability of Canada's entering the nuclear arms race, to show such a necessity clearly and unequivocally. In my opinion the proponents of nuclear arms for Canada, and that includes the Leader of the Opposition, have utterly failed to discharge that onus.

There is a naïve argument put forward from time to time, sometimes by people who should know better, that Canadian troops should be armed with the most effective possible weapons, and it implies that the most effective possible weapons must necessarily be tactical nuclear weapons. This argument flies in the face of the far more important argument that such weapons should not, and please God never will in fact be used. It also flies in the face of the fact that we must do all in our power to prevent their use in order that our defence forces, as well as our civilization, shall be spared from annihilation.

Mr. Chairman, I think we have made our position unequivocally clear. I must say I thoroughly enjoyed today's speech by the Prime Minister, but I still listened with some interest to try to discover what the policy of the government was in regard to the acquisition of nuclear weapons. I still think that it was left in a fluid—the word he used —intangible state. I still do not know what the actual situation is.

I suggest the time has come for the government to make up its mind whether we should have a nuclear role or not, and to tell the

people of Canada where it stands in that regard. I hope and I wish that this house may be given an opportunity of voting on this matter, and in accordance with its convictions, so that our convictions can be registered. Because this is a matter of such vital import there may be differences within individual parties, but I suggest this is a situation where Canada is at a point of choice between a nuclear and non-nuclear course which may spell out our fate and the fate of our children and grandchildren for years to come; and I believe we in parliament should be given the opportunity of voting and putting ourselves clearly on record as to where we stand on this issue. If we are not given that opportunity here then I hope it will not be too long before the people of Canada themselves will be given an opportunity to express their views on this issue. To make it crystal clear, I repeat that we are against the adoption of nuclear weapons for Canada or on Canadian soil.

Mr. Pickersgill: Mr. Chairman, before the hon. member for Marquette speaks, I would like to ask if we are to understand that the Minister of National Defence, who is in the committee, does not intend to participate in this debate on defence?

Mr. Harkness: Mr. Chairman, I think, coming after the nearly two hour speech by the Prime Minister in connection with our position in regard to this, there is not much to be served by me going into the debate at this moment. I would just like to say that the estimates of the department will be before the house very shortly and I will be delighted to make all statements and answer all questions anybody would like to put.

Mr. Martin (Essex East): May I ask the Minister of National Defence if he is not aware this is the first time in Canadian history when defence matters have been discussed that the minister of national defence has remained silent?

Mr. Fleming (Eglinton): That statement is utter rubbish.

Mr. Pickersgill: Has the extinct volcano come to life?

Mr. Fleming (Eglinton): The blabbermouth from Bonavista-Twillingate is still active.

Mr. Mandziuk: Mr. Chairman, this day's debate has no doubt given the Canadian people a clear idea as to where the four parties stand on matters of foreign policy and matters of defence. In the short time left at my disposal I do not propose to review anything that has been said by others on these two points. I just wish to make a few reflections, such as no doubt would be made by the Canadian people on reading *Hansard*, reading the newspapers or hearing the radio and television.

The comments I wish to make are on the first two addresses to the house yesterday. The first address by the Secretary of State for External Affairs was given in a manner as befits a senior statesman, with no bricks thrown at the opposition nor at his predecessors in the same office. He was not playing a political game. He used no vote-catching phrases. He did not play up to the galleries. It was just an honest review of world affairs as he saw them, and from what he said he showed that he has mastered the portfolio of foreign affairs for which he is responsible.

Sincerity could be heard in every word of his speech, but contrast that with the address by the first spokesman for the Liberal party, the hon. member for Essex East. He opened his remarks with some slurring statement on the minister's inability to proceed with his address. He minimized the efforts of the minister in trying to achieve peace. The hon. member might at least have been as kind as a British journalist who, as reported in a special to the *Globe and Mail* on November 27, 1962, said:

> When you come right down to it, the Canadian delegation is the best at the United Nations. Can't understand why.

The hon. member could at least have been as generous as that to the Canadian delegation. Not once did the minister refer in the first person to anything that had been done. He gave credit to those who worked under him and worked with him, but the hon. member for Essex East reached the height of eloquence when he extolled the role of his leader as a freedom fighter. He repeated what he had said in a previous debate on external affairs. He used different quotations from other debates of this kind, and soon he will have put on record everything that the Leader of the Opposition ever said in the United Nations when he was leader of the Canadian delegation. It appeared as if he were defending his leader. If he had that motive, against whom was he defending his leader? There had been no criticism from this side of the house regarding that hon. gentleman's performance while he had the task of leading the Canadian delegation and had the portfolio now held by the Secretary of State for External Affairs.

Mr. Martin (Essex East): I was answering the Prime Minister.

Mr. Mandziuk: One had the feeling he was trying to build up his leader. We have no quarrel with that. Probably his leader does need a little bit of building up, particularly

after some of the events which occurred in the last few weeks and months when some very prominent lieutenants of that party left the leaky boat of the Liberal ship, defecting, and going out to what they think are greener fields. But I think he reached a greater height of eloquence when he attacked the Prime Minister of Canada. Oh, yes, he rubbed his hands with glee and those behind him applauded because they thought they had found something, some little promise that the Prime Minister had made which he did not carry out, an election promise. The Canadian people know the promise he made. He made a promise that he would put before the United Nations a resolution condemning Soviet imperialism, and he did not do it. Those to whom the hon. gentleman is catering, those he expects to keep under the Liberal flag, or those he expects to entice under the Liberal flag, know that this resolution was not put before the United Nations because it would not have received majority support.

Mr. Martin (Essex East): That is right.

Mr. Mandziuk: He, with the experience that he claims in international affairs and at the United Nations, knows why. Power politics is one reason. Even the United States secretary of state, Dean Rusk, who still believes in one indivisible Russia, would have been very reluctant to have gone along with us. Second, the composition of the United Nations is changing. We have there a very large bloc of Afro-Asian nations. They only understand imperialism in so far as it concerns the question of the whites over the blacks. They cannot understand Russia's imperialism over the whites. They cannot understand the dangers of communism, and we must bear with them until they see through Russian duplicity.

Why did the hon. member for Essex East deviate from the subject about which he was speaking to take a crack at the Prime Minister? It is not hard to draw your own conclusions. These are the Liberal tactics—destroy the leader, and they think they can destroy the party. I assure this house that they will not destroy the leader, and they will not destroy the party.

Mr. Byrne: They will destroy themselves. They have done it.

Mr. Mandziuk: Keep dreaming. That is what you are living on, dreams and wishful thinking. If any hon. gentleman opposite thought that the Prime Minister was not fit, they had a sample of his fitness this afternoon.

Miss LaMarsh: We certainly did.

Mr. Mandziuk: You asked for a sample of the Prime Minister's fitness, and you received it.

Mr. Byrne: He was in a fit all right; there is no doubt about that.

Mr. Churchill: The hon. member had better withdraw that remark.

Mr. Mandziuk: He intended to downgrade the Prime Minister—

Mr. Churchill: Mr. Chairman, I am sorry to interrupt, but I think the remark made by the hon. member opposite should be withdrawn. It would read rather badly, I think, in *Hansard*, and perhaps not the way he intended it.

Mr. Laing: Then you should want to leave it there, perhaps.

The Chairman: Order. I am afraid the Chair did not hear the remark and therefore cannot pass judgment on it. That is one of the difficulties experienced in this particular location in the house, that interjections that are so close to the *Hansard* reporter do not reach the ear of the Chair. However, they do reach the *Hansard* reporter if he happens to be sitting in close proximity to that part of the chamber from which the interjection is made. I would have to hear the remark in order to pass judgment on it.

Mr. Churchill: Mr. Chairman, the hon. member for Kootenay East interjected, with regard to the Prime Minister, that he was in a fit. That would have reached the ear of the *Hansard* reporter. It is a remark that is very uncomplimentary and very unparliamentary, and I suggest it should be withdrawn.

The Chairman: Is the hon. member going to withdraw the remark?

Mr. Byrne: Mr. Chairman, the hon. member who was speaking suggested that the Prime Minister was quite fit. I said that he appeared to be in a fit all right this afternoon.

Mr. Green: Mr. Chairman, I would suggest that the hon. member for Kootenay East withdraw his remark. That is no withdrawal and no explanation; it is just a repetition of the insulting remark that he made.

Some hon. Members: Withdraw.

Mr. Pigeon: That is all he can do, anyway.

The Chairman: It would not be a very pleasant way to cap our day, to have something of that nature on *Hansard*, and I think the hon. member would prefer to withdraw it.

Mr. Byrne: Mr. Chairman, I made the remark in answer to what was said by the hon. gentleman who was speaking, that the Prime Minister was quite fit. I said that he appeared to be in a fit, and to me he appeared to be in a fit. I do not see anything offensive in that.

Mr. Green: That is no withdrawal; that is just a repetition of the insulting statement a third time.

The Chairman: Order. I am sure that such a remark about the hon. member's leader would not be accepted by the members of the opposition. I would ask him to withdraw the remark, without referring to Beauchesne or any specific reference, which I am quite prepared to do if that is the desire of the hon. member. Accordingly I would ask him to withdraw the remark.

Mr. Byrne: If the house feels that it is an improper remark—

Some hon. Members: We do.

Mr. Byrne: —I am quite happy to withdraw it. I have noticed that a number of things have been said back and forth. I do not think my remark has any greater implication than the other things which have been said. But if it is the wish of the house that I should withdraw it, the remark is withdrawn.

Mr. Mandziuk: Mr. Chairman, in continuing I wish to say that such small potato tactics of criticism in order to downgrade a world statesman have no effect at all on the members of this house or on the Canadian people.

Mr. Teillet: Mr. Chairman, I think in all fairness it should be pointed out that the hon. member has withdrawn his remark, and I would suggest that what the hon. member has just said is quite uncalled for.

Mr. Mandziuk: My remarks did not refer to the hon. member's withdrawal; they referred to the opposition's criticism, slander and downgrading of my leader.

Mr. Laing: Slander?

Mr. Byrne: Mr. Chairman, I think the hon. member should give some consideration to what he is saying. There has been no attempt to slander anyone here this afternoon in any of the speeches I have heard. This charge that the—

Mr. Mandziuk: I was not referring to the hon. member.

Mr. Byrne: —opposition benches are attempting to slander the Prime Minister simply has no foundation whatsoever. The Prime Minister is the leader of the government. If we believe that what the government is doing is wrong in principle in every way, then we have every right to tell him so. So far as the Prime Minister's health is concerned, I have never cast any reflection upon his health. His perception as to what is right and what is wrong, his ability to make decisions, that is another thing. But so far as his health is concerned I have never at any time questioned it, and I do not think anyone in this party has either.

Mr. Mandziuk: Mr. Chairman, the world knows that the leader of this party from the time he took public office has been a freedom fighter. In the house and outside the house he has fought that people might receive full Canadian citizenship. He has fought for the freedom of all peoples. He champions the weak. If I had the time—as I would if there had not been these interruptions—I would have appreciated the privilege of putting on the record the resolution which the Prime Minister sponsored at the NATO ministerial meeting in September, 1957. With regard to the enslaved nations of Europe he said:

> The suppression of their liberty will not last forever.

I could quote what the Prime Minister said at the United Nations general assembly on September 26, 1960, but I have no time to do so. I could quote what he said at a meeting for the unveiling of a monument of Taras Shevchenko in Winnipeg before 25,000 to 30,000 Ukrainians in July, 1961. I could quote what the leader of my party said to the Polish alliance when he spoke to that distinguished body in Sarnia on August 18, 1961. I could quote his address to the ethnic groups, an address which he gave in Toronto on November 22, 1961. However, time does not permit me to put those quotations on the record. Nevertheless, I assure you, Mr. Chairman, that those who look up to the Prime Minister as a world statesman did not in vain present him with a plaque in New York in 1961. I believe I shall have the time to read the wording on the plaque. It is as follows:

> To the Right Hon. John George Diefenbaker in grateful recognition for the support he has given to the cause of freedom for the nations of east central Europe and his forthright stand in the United Nations against Soviet colonialism.

This is signed by the assembly of captive European nations. What criticism can be levelled at a man who has stood up so often to defend the rights and freedoms of peoples behind the iron curtain? I am not criticizing the Leader of the Opposition. But let us put everything on the record. I wish to say this: the words which the Prime Minister has used on these various occasions are the words used at the anniversary celebrations of our different national and ethnic groups in Canada. The Ukrainians, for example, are celebrating the forty fifth anniversary of their independence this week. As a matter of fact only three days ago, on January 22, those in the free world are celebrating or have celebrated the forty fifth anniversary of independence.

Mr. Martin (Essex East): A very happy anniversary.

Mr. Mandziuk: The Byelorussians celebrate theirs on March 25, and the Poles mark their anniversary on November 11. All these people look up to this man who has taken up their cause. He had the courage to speak to this imperial dictator—to speak to the emperor of this godless empire and challenge him to give these people an opportunity freely to express by their votes whether or not they wish to be within the Russian colonial empire.

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

Mr. Mandziuk: Certainly.

Mr. Pickersgill: Since the hon. gentleman wants everything on the record, does he recall the Hungarian people who my hon. friend the Leader of the Opposition did so much to help come into this country—35,000 of them when the previous government was in office? Let us put the whole record straight.

Mr. Mandziuk: I am not belittling the Leader of the Opposition. I am just pointing out the role the Prime Minister has played in world affairs. I say on the subject of repercussions that after he had delivered that address to the ethnic groups in Toronto the ambassador of the Soviet union took exception to it. At a press conference in December the latter told the press that every time the Canadian prime minister spoke about Russian colonialism it put him into a humorous mood because there was no such thing as Russian colonialism or Russian imperialism. He held himself out as an Armenian who was, nevertheless, ambassador for the U.S.S.R. He also pointed out that the military attaché at the embassy was of Ukrainian origin. But I ask this house: is Armenia free? Is the Ukraine free?

I am proud of the role played by the Canadian delegation at the United Nations. I am proud of the address given by the hon. member who led the Canadian delegation in this last session. It is true that when he began speaking the Soviet delegation walked out. But, in the words of the Prime Minister, you cannot have in international politics two principles contrary to each other. If we condemn colonialism in Africa and Asia we must condemn it in Europe. I feel that in the light of the attitude Canada has taken, of the attitude the Secretary of State for External Affairs has taken and the way the Prime Minister is carrying on, the time is not far distant when the words of Mr. Khrushchev will apply—the words he used when he said that colonial empires will disintegrate. His will do so, even if it is the last one to disintegrate.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Before you leave the chair, Mr. Speaker, I wonder if I could ask the leader of the house to indicate what business the government is proposing for next week.

Mr. Churchill: The business for Monday will be legislation—item No. 4 on today's order paper, Bill C-87 to provide for a national economic development board. The second item will be No. 2 on today's order paper dealing with the Freight Rates Reduction Act. If that should be completed there is No. 27 on the order paper, the resolution dealing with the National Productivity Council Act.

Mr. Pickersgill: Could the minister indicate what business there will be for the subsequent days and whether the business he has announced will be continued with until completed? Could he also tell us if there is to be a budget next week?

Mr. Churchill: Mr. Speaker has cautioned the house against entering into a debate at this time. I have announced the business for Monday.

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

HOUSE OF COMMONS

Monday, January 28, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. PEARSON—REFERENCE TO REMARK IN DEBATE BY PRIME MINISTER

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I am raising a question of personal privilege arising out of a statement made by the Prime Minister in the house on Friday as reported in *Hansard* at page 3135. I have just had an opportunity of comparing that with the statement as it actually appeared in the press release issued by my office as to what I did say. The Prime Minister was quoting from a statement I made in Toronto on defence policy and he said:

I quote:

"Canada should contribute to the strategic nuclear deterrent."

At the time, Mr. Speaker, I raised the question that this was a misquotation. I asked the Prime Minister if he would read again the paragraph from which he was supposed to be quoting. Since that time, Mr. Speaker, I have had a chance of reviewing the text released and from which the Prime Minister was quoting. The Prime Minister only omitted one word, Mr. Speaker, from the sentence in question, but it was an important word. He omitted the word "not". The statement I made read "Canada should not contribute to the strategic nuclear deterrent".

Right Hon. J. G. Diefenbaker (Prime Minister): The document I had before me was as I read it. I say to the hon. gentleman that if the document was incorrect, that is the one I sent to *Hansard*. In the face of his explanation, as always may I say that I accept it.

[*Later:*]

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, in view of the fact that on Friday the Prime Minister quoted from a document which was a report of a statement I had made, and in view of the fact that the report he quoted differed in a vital respect from all other reports issued by my office, would the Prime Minister table now or tomorrow the document in question from which he was quoting so that it may be identified and, if necessary, corrected?

SEARCH AND RESCUE

NORTHERN QUEBEC—ANNOUNCEMENT OF FINDING OF MISSING AIRCRAFT

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): I am sure the members of the House of Commons and Canadians everywhere will be profoundly thankful at the good news that the Norseman aircraft, which was the object of so wide a search between Payne bay and Fort Chimo in Arctic Quebec, has been found and that all eight people aboard are well and now safely at Fort Chimo.

Some further details have reached us in which the house might be interested, Mr. Speaker. The pilot's name is Paul-Joseph Garon. There were six Eskimos on board and the northern administrator, Mr. A. F. Flucke. The Eskimos were Mrs. Lizzie Unga Kauki, who was 67 years of age; Mrs. Susie Kudluk, 49 years of age and her children, Jonas, 17, Marcussie, 14 and Victoria, 12; and Miss Mary Adlook, 35.

Word of the whereabouts of the downed aircraft was brought to Fort Chimo shortly before eight o'clock last night by the pilot of the aircraft and a young Eskimo, probably 17 year old Jonas, who struggled into Fort Chimo after a 60 mile trek in blistering January weather to bring the news of the aircraft's whereabouts.

Savage winter weather has made communications with Fort Chimo unusually difficult since the R.C.A.F. search began, but we have learned than an Otter aircraft of the Quebec provincial police flew to the area of the downed aircraft and brought the party in. We know, too, that the Norseman had a good supply of food aboard, including a load of seal meat that the Eskimos were taking to friends at Fort Chimo, and that they built a snow house as shelter from the weather.

What started as a routine flight of a northern administrator going about his duties on a winter day has become a story of courage and resourcefulness in the best Arctic tradition. We thank all those who were active in the search which brought about this successful conclusion.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*INCOME TAX "SURPLUS STRIPS"

Question No. 1,174—**Mr. Fisher:**

1. What is the definition given by the Department of National Revenue (taxation division) to the procedure known colloquially amongst taxation accountants as "surplus strips"?
2. What estimate does the department make of the number of surplus strips carried out in Canada in 1961 and 1962, and the estimated amount of money saved by the corporate taxpayers from going into the taxation revenue?
3. Has the department considered appealing any surplus strip to the income tax appeal board and beyond in order to determine the legality of such a procedure?
4. If so, what sections of the Income Tax Act and its regulations are considered relevant to the matter?

Mr. Flemming (Victoria-Carleton): Return tabled.

[*Later:*]

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the Minister of National Revenue if he would consider switching the answer to question No. 1,174 to a starred question instead of an order for return so the question and answer may be printed in *Hansard.* I ask this, Mr. Speaker, because the minister informed me there was no particular reason for not giving an oral answer except to save time. I would very much like to have the answer printed in *Hansard,* as was my intention when I asked the question.

Mr. Speaker: If it is a very lengthy reply—

Mr. Fisher: No, it is very short, Mr. Speaker.

Mr. Speaker: It would require unanimous consent to revert to questions, and I do not know whether this consent is forthcoming.

Some hon. Members: Agreed.

Mr. Speaker: Let us proceed one step at a time. We are now going to leave orders of the day—

Mr. Knowles: We have not completed orders of the day.

Mr. Speaker: Well, at the end of orders of the day, we will revert to questions.

[*Later:*]

Mr. Speaker: May we revert to questions, and the Minister of National Revenue will now give an oral reply to question No. 1,174.

Some hon. Members: Agreed.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, I think the request of the hon. gentleman from Port Arthur was that it be printed in *Hansard.* I have no objection to reading it, but I do not have a copy.

Mr. Speaker: Is it a lengthy reply?

Mr. Flemming (Victoria-Carleton): It has a lot of figures in it.

Mr. Speaker: Perhaps then it could be taken as read and included in *Hansard.* Agreed?

Some hon. Members: Agreed.

[*Editor's note: The answer above referred to is as follows:*]

1. There is no specific definition of the term "surplus strips". It is frequently used to refer to any procedures that have been followed for the purpose of transferring surpluses from corporations to their shareholders with a minimum of tax payment.

2. The department can make no estimate of the number entered into in 1961 and 1962. Most returns for 1962 have not yet been filed. As regards 1961, it is pointed out that usually no income is reported from these transactions, and that the department could not list them without first investigating to determine the facts of each case.

3. The department will assess, and carry through to appeal if necessary, for all taxes payable under the provisions of the act.

4. The relevant sections of the Income Tax Act, depending on the various circumstances are sections 6, 8, 16, 21, 22, 27, 28, 67, 68, 81, 82, 85I, 105, 105A, 105B, 105C, 108, 137, 138.

FOOD PURCHASES BY CANADIAN-EUROPEAN SHIPS

Question No. 1,267—**Mr. Dumont:**

1. What proportion of the food supplies used on ships plying between Canada and Europe is bought in Canada?
2. What quantities of milk, butter, pork, beef, and potatoes are bought outside Canada by the said above companies that have Montreal as their terminal point?
3. Do most shipping companies buy food supplies in Europe and make their round trips without buying any in Canada?

Mr. Halpenny: No information.

BANKRUPTCIES AND INSOLVENCIES

Question No. 1,270—**Mr. Matheson:**

1. Using 1956 as the base year, what was the percentage of increase or decrease in the number of bankruptcies and insolvencies under federal legislation during each of the years 1957 to 1962 inclusive?
2. What were the total estimated liabilities of bankruptcies and insolvencies for the period 1952-1956 and for the period 1958-1962?

Mr. Bell (Saint John-Albert): 1. A total of 2,849 bankruptcies was reported in 1956. Using 1956 as the base year, the following is

the percentage of increase in the number of bankruptcies during each of the years 1957 to 1961 inclusive:

1957	22.36 per cent
1958	13.34 per cent
1959	13.65 per cent
1960	27.80 per cent
1961	23.24 per cent

The final figures for the year 1962 are not yet available.

2. The total estimated liabilities for bankruptcies reported in the years 1952-1956 inclusive are as follows:

1952	$ 25,155,493
1953	36,699,090
1954	56,707,577
1955	50,040,082
1956	61,957,921
Total estimated liabilities for the period	$230,560,163

The total estimated liabilities for bankruptcies reported in the years 1958-1961 inclusive are as follows:

1958	$ 62,228,121
1959	80,489,209
1960	160,008,759
1961	99,932,628
Total estimated liabilities for the period	$402,658,717

The final figures for the year 1962 are not yet available.

CONVICTIONS FOR CERTAIN INDICTABLE OFFENCES

Question No. 1,271—**Mr. Matheson:**

Commencing with 1954 what percentage of the population was convicted each year for the following classes of indictable offences, namely (a) murder, capital and non-capital, and manslaughter (b) forgery and other offences relating to currency (c) infractions under the Opium and Narcotic Drug Act?

Mr. Nesbitt:

Number of children 7–15 found delinquent of selected offences, Canada 1954–1960 and the percentage of the population 7–15 years of age these children represent.

Year	Murder and Manslaughter		Forgery and Currency Offences		Opium and Narcotic Drug Act	
	No.	% of Population	No.	% of Population	No.	% of Population
1954	—	—	32	.001	—	—
1955	2	.00008	29	.001	—	—
1956	1	.00004	39	.001	—	—
1957	1	.00003	28	.001	—	—
1958	1	.00003	36	.001	—	—
1959	1	.00003	27	.001	1	.00003
1960	—	—	36	.001	—	—

Number of persons convicted of selected offences, Canada—1954–1960(1) and percentage of population 16 years of age and over.

Year	Murder and Manslaughter		Forgery and Currency Offences		Opium and Narcotic Drug Act	
	No.	% of Population	No.	% of Population	No.	% of Population
1954	96(2)	.0009	711	.007	306	.003
1955	59(2)	.0006	726	.007	349	.003
1956	94(2)	.0009	692	.007	382	.004
1957	57	.0005	784	.007	400	.004
1958	56	.0005	1,015	.009	488	.004
1959	75	.0007	897	.008	565	.005
1960	60	.0005	1,096	.009	467	.004

(1) Data for 1961 will be available in April 1963.

(2) These figures include also persons convicted of motor manslaughter.

Questions

*EFFECTS OF RADIOACTIVE FALL-OUT IN NORTH

Question No. 1,277—**Mr. Haidasz:**

1. Has the government received any information concerning the level of strontium 90 among Alaskan Eskimos and, if so, what is the nature of such information?

2. Has the government received a copy of a resolution adopted by the technical committee for caribou preservation requesting a federal investigation into the question of radioactive fall-out and its effects on humans and animals in northern Canada and, if so, what steps have been taken by the federal government to investigate this problem?

Mr. Dinsdale: 1. Yes; some research results have very recently been published and government scientists are aware of the preliminary indications of other research now in progress.

2. No, since the formal minutes of the technical committee for caribou preservation have not yet been received. However, officials of the Canadian wildlife service were present and took an active part in the discussions of the committee. Over the past two years the service has been investigating the distribution and extent of radioactive fall-out in relationship to cervidae in Canada, in collaboration with the department of biology, University of Ottawa. A priority program of investigation into other aspects of the problem is now being developed by my department and the Department of National Health and Welfare.

RETURNS TO SUPERINTENDENT OF INSURANCE

Question No. 1,282—**Mr. Berger:**

1. Are life insurance companies required to submit returns to the superintendent of life insurance, disclosing the names of those persons or corporations holding shares in said life insurance companies, and the capacity in which said shares are held by such persons or corporations?

2. Are these returns omitted from the annual report of the superintendent of insurance to the Minister of Finance and, if so, for what reason and on what authority?

Mr. Grafftey: 1. "Yes" to the first part; "No" to the second part.

2. "Yes" to the first part; As respects the second part, the main reason for the omission in recent years has been to avoid facilitating the sale of control of companies through publication of the names of individual shareholders; as respects the third part, in the absence of any specific requirement that the lists of shareholders be included, no authority is needed for their omission.

KESWICK, ONT. POST OFFICE

Question No. 1,290—**Mr. Addison:**

Has the Post Office Department investigated the possibility of acquiring land, and building a post office, in the town of Keswick, Ontario, and, if so, what are the results of this investigation and what action is contemplated?

[Mr. Nesbitt.]

Mr. McCleave: Yes. Sites are being considered by the Department of Public Works in co-operation with the Post Office Department. It is intended to prepare plans for a new building after a site has been acquired.

PENSIONS TO FORMER MEMBERS OF PARLIAMENT

Question No. 1,291—**Mr. Howard:**

Since June 18, 1962, have any former members of parliament received a pension pursuant to the Members of Parliament Retiring Allowances Act and, if so, with respect to each such former member, what is (a) his name (b) the amount of his pension?

Mr. Grafftey: Former members of parliament qualifying for pension under the Members of Parliament Retiring Allowances Act on and after June 18, 1962—

Former Member	Amount of Pension*
Aitken, Miss Margaret	$1,620
Boivin, Marcel	3,000
Bourget, Maurice	3,000
Browne, Hon. W. J.	2,001.37
Charlton, John A.	3,000
Dumas, Armand	2,720.25
Hamilton, John Borden	1,440
Hamilton, Hon. W. McL.	1,620
Lennard, F. E.	3,000
Macdonnell, Hon. James McK.	3,000
McGregor, Hon. Robert H.	3,000
Michaud, Herve J.	1,620
Michener, Hon. D. R.	1,620
Murphy, J. W.	3,000
Pallett, John	1,530
Ratelle, J. G.	2,721.37
Rea, C. E.	1,260
Regier, Erhart	1,620
Richard, J. A.	2,701.12
Small, Robert H.	1,620
White, H. O.	3,000

*Section 16(a) of this act provides for a reduction of these pensions by the amount of pension payable to a former member under the Old Age Security Act whether or not he applies for that pension so long as he is otherwise eligible to receive it.

OLD AGE PENSIONS—EXTENSION TO SINGLE WOMEN AND WIDOWS AT 60

Question No. 1,293—**Mr. Mather:**

Has the government given consideration to extending the old age pension to unmarried women or widows aged 60?

Mrs. Casselman: As this is a matter of government policy any announcement would be made by the government in the usual manner.

VOTING BY HOSPITAL PATIENTS

Question No. 1,294—**Mr. Mather:**

Has the government given consideration to providing voting facilities to persons confined in hospitals during federal elections?

Mr. Diefenbaker: This relates to a matter of government policy. Any announcement in connection therewith will be made in the usual manner.

RAINY RIVER, ONT.—COMPLAINTS RESPECTING MAIL DELIVERY

Question No. 1,298—**Mr. Benidickson:**

1. How many complaints have been received by the Post Office Department from residents of the district of Rainy River relating to the new mail delivery arrangements that were set up by the Post Office Department after the C.N.R. cut its passenger train service in October 1962 from 6 days per week frequency to 3 days per week frequency?

2. From what persons have such complaints been received?

Mrs. Fairclough: 1. None.

2. Not applicable.

INTERNATIONAL COMMODITY AGREEMENTS

Question No. 1,300—**Mr. Laing:**

1. In how many, and by what designation are they known, does Canada participate officially in international commodity agreements; and on what date was each originally signed?

2. In which of these agreements is commodity output in Canada affected either by direct undertaking or by voluntary acceptance of quotas?

3. If the answer to No. 2 is affirmative in respect of any commodity, state in which commodities the government of Canada has accepted the principle of limiting output and to what extent in each case?

4. Was the government of Canada (a) represented (b) consulted (c) asked to approve the decisions of (i) the consortium which met in Mexico city and agreed to production quotas on lead and zinc (ii) the consortium which met in New York and agreed to crop limitation and price increase for coffee?

5. Are there any cases of commodity agreements to which Canada is a participant in which the agreement has not been presented to parliament for ratification and, if so, state the cases?

Mr. Nesbitt: 1. There are four international commodity agreements in which Canada participates officially, namely: international tin agreement originally signed June 28, 1954; international sugar agreement, originally signed August 24, 1953; international coffee agreement, originally signed October 16, 1962; 1949 international wheat agreement, signed March 23, 1949; 1953 International wheat agreement, signed April 13, 1953; 1956 international wheat agreement, signed May 16, 1956; 1959 international wheat agreement, signed April 22, 1959; 1962 international wheat agreement, signed May 11, 1962.

2. None.

3. Not applicable.

4. (i) (a) Canada was represented by an official delegation with industry advisers at the third session of the international lead and zinc study group in Mexico city, March 20-24, 1961. There was no intergovernmental agreement to production quotas on lead and zinc.

(ii) (a) Canada was represented officially at the United Nations international coffee conference in New York city, July 9-August 24, 1962. There has been no agreement to date to limit coffee production nor is there anything in the agreement which specifies price increases for coffee. The agreement attempts to stabilize world coffee prices at a level not lower than that prevailing in 1962.

5. The tin and sugar agreements were ratified by Canada and then tabled in parliament; the wheat agreements were accepted by Canada after having been tabled in parliament. The coffee agreement was ratified on November 20, 1962, and has not yet been tabled.

ROYAL COMMISSION ON BANKING AND FINANCE

Question No. 1,301—**Mr. Langlois:**

1. Has the royal commission on banking and finance made an interim report to the government suggesting or recommending an increase in the interest rate on reserve funds and, if so, what is the suggested rate?

2. Who are the members of the commission, and what is the profession of each?

3. When does the government expect to receive the final report from the commission?

Mr. Diefenbaker: 1. No.

2. Hon. Dana Harris Porter, Chief Justice of Ontario; Mr. W. Thomas Brown, M.B.E., investment dealer; Mr. James Douglas Gibson, banker; Mr. Gordon L. Harrold, agriculturist; Mr. Paul H. Leman, corporation executive; Mr. John C. MacKeen, corporation executive; Dr. W. A. Mackintosh, vice chancellor, Queen's University.

3. The government expects to receive the report of the commission by September 1963.

RECORD OF PERFORMANCE BRANCH, AGRICULTURE DEPARTMENT

Question No. 1,302—**Mr. Beer:**

1. How many persons were employed by the production and marketing branch of the Department of Agriculture on record of performance work (dairy cattle) on January 1, 1962, and on January 1, 1963, (a) office staff (b) field staff?

2. What are the names of those persons who retired or left this branch for any reason during 1962?

3. What are the names of those persons who have been added to the staff during 1962 (a) office staff (b) field staff?

Mr. Jorgenson: 1. The number of persons employed by the production and marketing branch of the Department of Agriculture on record of performance work (dairy cattle) on, January 1, 1962 was (a) office staff—40 (b) field staff—187 and on January 1, 1963 was (a) office staff—35 (b) field staff—184.

2. The names of those persons who retired or left this branch during 1962 are as follows: (a) Office staff: V. Archer, J. F. Boehmer,

M. Bedard, Mrs. G. Duguay, D. Findlay, L. J. Powers, Mrs. S. Pilotte, R. Fournier, Mrs. F. Sievenpiper; (b) Field staff: B. A. Pitman, R. Dubois, K. R. Broadworth, D. S. Fraser, L. O. Gourlay, D. J. Nicholson, J. T. Van Egmond, A. Waide, P. J. Le Quellec.

3. The names of those persons who have been added to the staff during 1962 are as follows: (a) Office staff: Mrs. J. Nadeau, A. Fournier, R. Fournier, Mrs. F. Sievenpiper, (b) Field staff: L. G. Ferguson, T. Farren, H. Grieger, H. S. Ritchie, J. C. Sporring, J. L. Leslie.

PERMANENT LIST OF VOTERS

Question No. 1,305—**Mr. Mather:**

Is the government giving consideration to the establishment of a permanent voters list for Canada?

Mr. Diefenbaker: This relates to a matter of government policy. Any announcement in connection therewith will be made in the usual manner.

CONSTITUENCY SPOKESMEN ON CHANGES IN GOVERNMENT SERVICES

Question No. 1,306—**Mr. Harley:**

Does the government have representatives in each riding to announce awarding of government contracts, extension of post office facilities and other changes in government services affecting the riding and, if so, who is Halton's representative?

Mr. Diefenbaker: No.

EXTENSION OF WINTER WORKS PROGRAM

Question No. 1,313—**Mr. Burgess:**

Does the government propose to extend assistance for winter works past March 31, this year?

Mr. Hales: If the question pertains to the municipal winter works incentive program, 1962-63, the answer is that this program will be in effect until April 30, 1963.

CHARCOAL MANUFACTURING PLANTS

Question No. 1,314—**Mr. Badanai:**

What is the number of charcoal manufacturing plants in Canada and the location of each?

Mr. Nesbitt: There are eight main producers of charcoal in Canada; 5 in Quebec; 1 in Ontario; 1 in Alberta and 1 in British Columbia. These do not include smaller producers, such as farmers, who produce limited supplies of charcoal.

BOUNTY ON DOGFISH

Question No. 1,315—**Mr. Mather:**

Is the Department of Fisheries considering the establishment of a dogfish bounty to encourage development of this industry in line with potential market possibilities?

[Mr. Jorgenson.]

Mr. MacLean (Queens): In the last five years, the Department of Fisheries has paid subsidies to encourage the catching of dogfish for meal production and oil production. In neither case has the result been satisfactory from the point of view of reducing stocks. However, I am prepared to consider any new proposals which offer a reasonable chance of success.

*CANADIAN IMMIGRATION FACILITIES IN POLAND

Question No. 1,317—**Mr. Haidasz:**

1. What were the facilities of the Canadian department of immigration in Poland in 1958?
2. What are the present facilities?
3. Who performs the medical examinations of prospective immigrants?

Mr. McGee: 1. The Department of Citizenship and Immigration had no facilities of its own for the examination of immigrants in Poland in 1958.

2. The processing of applications for the admission of immigrants sponsored by residents of Canada is carried out by the Canadian embassy in Warsaw.

3. Immigrants from Poland are medically examined upon arrival in Canada; however, a preliminary examination is carried out by private practitioners in Poland. The results of their examinations are forwarded to Canada through the Canadian embassy in Warsaw.

COMMITTEE ON COMMUTER SYSTEM FOR TORONTO AREA

Question No. 1,319—**Mr. Addison:**

Has the federal government been invited by the Ontario provincial government to place a representative on the special committee to study the establishment of a co-ordinated commuters' railway system for the Toronto metropolitan and surrounding area?

Mr. Halpenny: A search of the records failed to indicate that any such invitation has been received.

CHANNEL AND HARBOUR IMPROVEMENT EXPENDITURES, LAKEHEAD

Question No. 1,320—**Mr. Badanai:**

What specific amount of the nearly $11,000,000 that the Department of Public Works anticipates spending on channel and harbour improvements from the St. Lawrence river to the lakehead is earmarked for the lakehead?

Mr. McCleave: From April 1, 1962, to March 31, 1963, the end of the current fiscal year, the department anticipates spending nearly $11,000,000 of which slightly over one million will have been spent in the lakehead area.

*REGISTRATIONS FOR EMPLOYMENT AND BENEFIT RECIPIENTS

Question No. 1,324—**Mr. Deschatelets:**

1. What are the latest statistics of the unemployment insurance commission concerning the number of unemployed persons who registered for employment at the offices of the commission?
2. What are the latest statistics of the unemployment insurance commission concerning the number of unemployed persons who are receiving unemployment insurance benefits?

Mr. Hales: 1 and 2. Figures are not compiled on the number of unemployed persons receiving unemployment insurance benefits on specified dates. The number of active claimants for unemployment insurance benefits on November 30th was 374,191. At that date the number of persons registered for employment at local offices of the national employment service was 456,756.

(Translation):

*SALARY INCREASES FOR CERTAIN CLASSES OF CIVIL SERVANTS IN MONTREAL

Question No. 1,326—**Mr. Deschatelets:**

1. Does the government intend to increase immediately the salaries of assistant clerks, clerks grades 1 and 2 and typists grades 1 and 2, employed by the income tax division in Montreal who were not included when increases were granted lately to certain classes of civil servants?
2. Does the government intend to revise immediately the annual increase of $60 a year granted recently to the telephone operators and stenographers grades 1 and 2 employed by the income tax division in Montreal?

Mr. Grafftey: 1. No.

2. No.

ST. EUSTACHE SUR LE LAC—ALLEGED REQUEST FOR THE CONSTRUCTION OF A POST OFFICE BUILDING

Question No. 1,330—**Mr. Drouin:**

Has the government received a request for the construction of a post office building at St. Eustache sur le Lac, in the constituency of Argenteuil-Deux Montagnes and, if so, (a) who made the request (b) when was it received by the government (c) is it the intention of the government to comply with the request?

Mr. McCleave: No. (a), (b) and (c), not applicable.

(Text):

N.B.-P.E.I. CAUSEWAY—SERVICES OF CONSULTANTS

Question No. 1,343—**Mr. Rideout:**

Has the government engaged Northumberland Consultants Limited to assist in planning the New Brunswick-Prince Edward Island causeway and, if so, on what date was this company engaged?

Mr. McCleave: The three firms forming Northumberland Consultants Limited were retained on June 22, 1962, and the agreement with Northumberland Consultants Limited was signed December 26, 1962.

ERADICATION OF LAMPREY EELS, GREAT LAKES

Question No. 1,348—**Mr. Robinson:**

1. What work is being carried out in lake Superior to eradicate the lamprey?
2. What results have been attained?
3. What work, if any, is being carried out in lake Huron and Georgian bay to eradicate the lamprey?
4. What work, if any, is being carried out in lake Michigan to eradicate the lamprey?

Mr. MacLean (Queens): 1. The fisheries research board of Canada and its counterpart in the United States are involved in programs to eradicate the sea lamprey in the great lakes. Thirteen streams on the Canadian side of lake Superior and fifteen on the American side were treated with lampricide (a selective poison to kill lamprey larvae) in 1962. Electrical barriers are being operated in known lamprey spawning streams on the Canadian and American sides of lake Superior. In 1962 eight such barriers were operated on the Canadian side and twenty nine on the American side for the purpose of assessing the lamprey control program. Stream surveys to discover lamprey spawning streams were conducted on 178 streams on the Ontario side of the lake in 1962. To date 503 tributary streams have been examined on the south shore of lake Superior.

2. Catches of adult lamprey at electrical barriers in 1962 showed declines of approximately 78 per cent and 82 per cent on the Canadian and United States sides of the lake from the averages of catches over the past five years. The rate of wounds and scars in lake trout catches in 1962 in lake Superior was 5 per cent or less. The 1960 wounding rate was from 8 per cent to 12 per cent.

3. To date a limited number of streams on the Canadian side of lake Huron have been examined and treated.

4. To date United States fishery agencies have surveyed 357 streams tributary to lake Michigan. Eight of these streams were treated with lampricide in the Green Bay area in 1962.

QUESTIONS PASSED AS ORDERS FOR RETURNS

GRADUATE LAWYERS IN PUBLIC SERVICE

Question No. 1,268—**Mr. Matheson:**

1. How many graduate lawyers, by departments, were employed in the public service of Canada as of December 31, 1962?
2. How many of these, by departments, were employed in a legal, as distinct from an administrative capacity?
3. What progress has been made to implement the Glassco commission recommendations (a) to integrate legal services within the department of justice (b) to establish branch legal offices in centres across Canada?

Inquiries of the Ministry

*UNEMPLOYMENT BENEFIT PAYMENTS

Question No. 1,323—**Mr. Deschatelets:**

From January 1962 up to date, what were the amounts paid for each month as unemployment benefits?

Mr. Hales: Return tabled.

PIGEON RIVER, ONT.—REMOVAL OF BORDER CROSSING

Question No. 1,331—**Mr. Badanai:**

1. What is the situation surrounding the removal of the present border crossing from its location at Pigeon River, Ontario, to the new site at High Falls, Ontario?
2. Has a contract been awarded for the construction of buildings to accommodate customs and immigration offices at High Falls and, if so, what is the amount of the contract?
3. Will the present bridge at Pigeon River be removed and, if not, will it be put to any particular use?

BUSINESS OF THE HOUSE

INQUIRY AS TO MOVING OF SUPPLY MOTIONS

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I should like to address a question to the Prime Minister. In view of the Prime Minister's statement over the week end regarding the urgent necessity of getting ahead with estimates, would the right hon. gentleman explain to the house why, in the two Mondays of the resumed session, no supply motion has been moved, without which the estimates of any additional department cannot be dealt with?

Mr. Speaker: I am just wondering whether the Leader of the Opposition might not rephrase his question. We are tending toward an argumentative or debative answer. I think that on reflection the hon. gentleman will see what I mean.

Mr. Pearson: May I rephrase the question in this way, then. Having regard to the fact that a supply motion has not been moved in the first two Mondays of the resumed session, would the Prime Minister give an assurance that a supply motion will be moved next Monday?

Right Hon. J. G. Diefenbaker (Prime Minister): The order of business is usually made known to the house by the house leader. Having regard to the experience we have had on those supply motions which have been before the house in respect of the departments which were opened, and the degree to which they have been held up by the opposition—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I thought from the beginning we were getting on to a patch of very thin ice here, and I was not far wrong.

[Mr. Matheson.]

Mr. Pearson: In view of the Prime Minister's reply, surely I have the right to ask him whether he is aware that a supply motion can only take, at the most, two days.

Mr. Diefenbaker: I realize that a supply motion can only take two days, but the six departments we have already opened are being held up—

Some hon. Members: Oh.

Mr. Speaker: Order. I think we shall move to something else. Orders of the day are not an area for debating.

Hon. Lionel Chevrier (Laurier): I should like to address a supplementary question to the Prime Minister and ask him whether he is aware that only once since the opening of the house last September have the estimates of any department been called, apart from those of the Department of External Affairs which were called last Thursday for a special debate.

METHOD OF DEALING WITH ESTIMATES FOR PRESENT YEAR

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a straightforward question to the Prime Minister seeking information which I believe the house and the country are entitled to have. In view of the importance of there being parliamentary approval before the people's money is spent, will the Prime Minister at an early date take the house into his confidence and tell us what the government's plans are for dealing with the estimates for the current fiscal year?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I tried to give a completely straightforward recital of the situation a week ago today, and having done so the matter now rests with other members in the house.

An hon. Member: Government without responsibility.

Mr. Knowles: A supplementary question, Mr. Speaker. What plans is the government making to be sure that it will have the necessary money to pay civil service and other salaries on the 15th of February, at the end of February, on the 15th of March and at the end of March?

Mr. Speaker: Order. I think the question is quite hypothetical at the present time.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to direct a question to the Minister of Finance. In the light of the statement he made last week that he was

going to introduce interim supply on Friday, can the minister now give some indication as to when that will be done?

Hon. George C. Nowlan (Minister of Finance): I do not recall the statement to which the hon. member has referred, Mr. Speaker, but the house leader will be announcing to the house when interim supply will be sought.

Mr. Chevrier: A supplementary question. May I get some clarification from the house leader as to when interim supply will be introduced?

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, the business of the house for the next day is announced each evening before the house adjourns.

(Translation):

INCOME TAX

PROPOSED ABOLITION OF RECEIPTS FOR CHARITABLE DONATIONS

On the orders of the day:

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I should like to put a question to the Minister of National Revenue. Has the minister provided that receipts for charitable donations, which are an outrage against the clergy and the people, will be abolished and replaced by an equivalent tax reduction?

Mr. Speaker: Order. I feel that the hon. member is expressing his opinion or his views rather than seeking information from the minister.

(Text):

NATIONAL DEFENCE

NUCLEAR WEAPONS—PRESS RELEASE RESPECTING SPEECH BY PRIME MINISTER

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have in my hand a press release which has just been issued by the minister of defence which purports to be an interpretation of the Prime Minister's speech of last Friday, January 25, as setting forth a definite policy for the acquisition of nuclear arms. I should like to ask the Prime Minister whether he accepts that as a proper interpretation of the speech which he made last Friday.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, my speech was very clear—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —very direct and very comprehensive. I do not think it requires any interpretation.

Hon. L. B. Pearson (Leader of the Opposition): In view of the Prime Minister's reply may I ask a supplementary question. If the Prime Minister's speech was as clear as he said it was, why did the Minister of National Defence have to interpret it for him?

Mr. Speaker: Order. We are still in an argumentative mood.

Mr. Douglas: Mr. Speaker, a supplementary question. In view of the fact that the minister of defence took no part in the debate last week, as he indicated he might, may I ask the Prime Minister whether the defence estimates will be brought down quickly in order that the minister may clarify the statements which he has just released to the press?

Mr. Diefenbaker: Mr. Speaker, the question as to when estimates can be considered will depend upon motions to go into supply, and the acceptance by the house of the order in which the departments are opened.

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask a supplementary question of the Minister of National Defence. In view of the extraordinary step taken by him in issuing a press release in which he has sought to give his interpretation of the remarks of the Prime Minister on Friday, are we to conclude as a result that the minister is satisfied with this course and that he now thinks this would preclude him from taking the necessary and normal step of resigning from the government in view of his differences with the Prime Minister?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I took no extraordinary steps. I was asked questions by various members of the press gallery, first of all immediately after five o'clock last Friday, as a matter of fact. I have answered various questions from various people, and in order not to have to deal with a dozen or 20 people individually I made a statement, and I think that statement stands for itself.

Mr. David Lewis (York South): Mr. Speaker, a supplementary question if I may. May I ask the Prime Minister whether he saw and approved the press release issued this morning by the Minister of National Defence?

Mr. Diefenbaker: Mr. Speaker, answers or statements made by ministers following requests by the press are naturally not seen by the Prime Minister.

[*Later:*]

Mr. Martin (Essex East): Mr. Speaker, I want to ask the Minister of National Defence who is carrying on the negotiations with the United States, referred to the other day by the Prime Minister and mentioned in the hon. gentleman's release this morning.

Mr. Harkness: I do not think it would be appropriate for me to release that information, Mr. Speaker.

Mr. Martin (Essex East): Would it be that there are no negotiations being carried on?

Mr. Harkness: Mr. Speaker—

Mr. Speaker: Order. That question is quite improper.

BOMARC BASES—SUGGESTED RENEGOTIATION OF ARRANGEMENTS WITH U.S.

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the Prime Minister. In his speech on Friday, which all of us enjoyed, the Prime Minister said the government was renegotiating its commitments to NORAD. May I ask the Prime Minister whether, in view of the fact that the United States is renegotiating its arrangements with two NATO members, Italy and Turkey, and dismantling its nuclear bases in those countries, the Prime Minister will tell the house whether the United States has indicated to Canada that it wishes to renegotiate the arrangements it made with this country in 1959 to establish nuclear Bomarc bases in this country?

Mr. Speaker: Order. I think if the hon. member will consult Beauchesne, citation 171, he will see that in his opening remarks he rather ran afoul of paragraph (r), which says that no question shall "refer to debate ... of the current session"; and Friday afternoon was certainly part of a debate in the current session.

Mr. Berger: May I rephrase my question by omitting the initial reference to the debate. The question was, in view of the fact that the United States has been renegotiating its arrangements with two NATO members, Italy and Turkey, and dismantling its nuclear bases in those countries, can the Prime Minister tell the house whether the United States has indicated to Canada that it wishes to renegotiate the arrangements it made with this country in 1959 to establish nuclear Bomarc bases in this country?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I set out the situation fully on Friday. In so far as communications between governments are concerned when negotiations are taking place, those communications are secret and are never asked for in the House of Commons. In giving that answer, however, I do not want any implication read into it that anything in the nature of the request in question has or has not been made.

Mr. Berger: On a point of order, I believe the Prime Minister may not have apprehended—

Mr. Speaker: Order. There cannot be any question of referring to the nature of the reply. The hon. member for Bonavista-Twillingate was rising a few moments ago.

Mr. Pickersgill: The hon. member was not rising.

[*Later:*]

Mr. Malcolm MacInnis (Cape Breton South): I should like to direct a question to the Prime Minister. Does the government's proposed clarification of Canada's role in NATO mean that the present government intends to seek a conventional forces role for Canada in the North Atlantic Treaty Organization?

[*Later:*]

Mr. MacInnis: I should like to direct a question to the Minister of National Defence. What military value would the Bomarcs, armed with nuclear warheads, have for North American defence?

Mr. Speaker: Order. I think the hon. member will recognize that question is a rhetorical one and quite out of order.

[*Later:*]

Mr. MacInnis: I should like to direct a question to the Minister of National Defence and ask him if one of the objectives of the present negotiations with the government of the United States in relation to Canada's role in NATO involves the scrapping of Bomarcs.

Hon. D. S. Harkness (Minister of National Defence): This is the same question that was asked the Prime Minister just a few minutes ago.

(Translation):

FINANCE

REQUEST FOR INCREASE IN FAMILY ALLOWANCES

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, my question is intended for the Prime Minister. Does the government expect to increase the rate of family allowances in the forthcoming budget?

Mr. Speaker: Order. The hon. member should be aware that the period allotted to orders of the day is not the proper time to reveal particulars concerning the budget.

(Text):

DEFENCE RESEARCH

COST TO U.S. OF PUTTING CANADIAN SATELLITE IN SPACE

On the orders of the day:

Mr. Herbert E. Gray (Essex West): Mr. Speaker, I have a question for the Minister of National Defence. Can he tell the house whether it is a fact that it cost the United States of America $10 million to put Canada's Alouette satellite into space last fall?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I have no specific information as to what the cost was as far as the Thor that was used for the purpose is concerned.

(Translation):

HOUSE OF COMMONS

OPPOSITION TO INCREASE IN MEMBERS' INDEMNITIES

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, my question is directed to the Minister of Justice. In view of the statement made by the hon. member for Port Arthur, which has been published in a newspaper, to the effect that those who would be opposed to an increase in members' salaries would risk acts of violence on the part of a group of members of this house, and since the Social Crediters have indicated they are opposed to an increase in members' salaries until an increase in family allowances has been granted, would the minister take steps to protect the other group of members against those acts of violence referred to in his statement?

Mr. Speaker: I should like to draw the hon. member's attention, once and for all, I hope, that the period allotted to orders of the day is not the proper time to make statements or raise matters of this kind.

(Text):

FISHERIES

REFERENCE TO COMMITTEE OF REPORT OF NORTH PACIFIC COMMISSION

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Fisheries supplementary to the question I asked him last Wednesday. Can the minister further inform the house whether the report of the recent meeting of the international north Pacific fisheries commission will be referred to the standing committee on marine and fisheries for consideration?

Inquiries of the Ministry

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I have nothing to add to the answer I gave previously.

BRITISH COLUMBIA—IMPLEMENTATION OF RECOMMENDATIONS RESPECTING LICENCES

On the orders of the day:

Mr. Frank Howard (Skeena): I want to direct a question to the Minister of Fisheries and ask him what progress is being made in translating the recommendations of Dr. Sinclair on licence limitation into legislation; and if this has been done will he present it to the house this session?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I do not want to make a firm statement as to what might transpire in the remaining part of this session, but at the moment there are no plans to introduce such legislation.

POWER

COLUMBIA RIVER—REFERENCE OF TREATY TO HOUSE COMMITTEE

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the fact that the rumoured resignation of the Minister of Justice is no longer—

Some hon. Members: Order.

Mr. Pickersgill: Public works.

Mr. Byrne: —a hypothetical matter, would the Prime Minister indicate that he will put the Columbia river draft treaty before a committee of the house so that it can be discussed prior to the departure of the Minister of Public Works?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. gentleman seems to be somewhat involved when he mentions the Minister of Justice because, of course, there has been no suggestion of his resignation. If he is referring to the Minister of Public Works, and I will try to get the hon. member back on the rails because he seems a little off, that matter has been dealt with on a number of occasions.

Mr. Byrne: A supplementary question, Mr. Speaker. I corrected the suggestion that the question had to do with the Minister of Justice. It is the Minister of Public Works, and I believe the Prime Minister knows that he appears to be leaving this house without this matter having been discussed.

Mr. Speaker: What is the supplementary question?

Inquiries of the Ministry

Mr. Byrne: Would the Prime Minister answer my question?

[*Later:*]

Mr. Byrne: Mr. Speaker, I should like to direct a question to the Prime Minister. Will the Prime Minister give any indication when the Columbia river treaty will be put before a committee of the house?

Mr. Diefenbaker: Mr. Speaker, in due course.

(Translation):

CANADIAN BROADCASTING CORPORATION

PROTEST RESPECTING PROGRAM ON FRENCH NETWORK

On the orders of the day:

Mr. Gerard Lamy (St. Maurice-Lafleche): Mr. Speaker, my question is directed to the Secretary of State. Can the minister assure the house that he will take the necessary steps to put a stop to such television programs as the one carried over the C.B.C., Thursday, January 24 last, between 9 and 10 in the evening, entitled "Le petit monde du père Gédéon"?

Mr. Speaker: Order. I am sure the hon. member will realize that it is not the proper time to ask a question on the control or censorship of the C.B.C.

Mr. Lamy: On a question of privilege, Mr. Speaker. I think that the "morality" of the nation, Mr. Speaker, is something that concerns us.

Mr. Speaker: The hon. member has made his representations. He should now have his question put on the order paper.

(Text):

TRANS-CANADA HIGHWAY

MAINTENANCE OF ROGERS PASS SECTION FOR WINTER TRAVEL

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the minister of northern affairs, national resources and so on.

Mr. Knowles: The leader of the band.

Mr. Herridge: In view of the statement made by the superintendent of the Revelstoke and Glacier national parks that the Rogers pass section of the trans-Canada highway will be kept open all winter to all traffic, period, will the minister say whether he stands behind that statement?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, I presume that statement by the superintendent of the parks was made as the result of a press release I made last October in which I said "I am confident the highway will be kept open although there will be delays while avalanches are being brought down and cleared from the road". I am happy to report to the house that during this very severe winter weather the highway has been closed for the shortest period. I should like further to inform the house that I did not clear this release through the Prime Minister's office.

Mr. Speaker: Order. I think we are getting quite a bit out in space on some of these replies as well as on the questions.

(Translation):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I have a question for the Minister of Agriculture. Could the minister tell the house whether he had the former Conservative member who was defeated and lost his deposit at the last general election make a statement on his behalf concerning the construction of three grain elevators in Chicoutimi?

Mr. Speaker: Order. The hon. member will surely recognize that his question is out of order.

Mr. Gilles Gregoire (Lapointe): I should like to direct a supplementary question to the Minister of Agriculture. Does the minister still resort to patronage as regards construction projects?

Mr. Speaker: Since the first question was out of order, the supplementary one is even more so.

(Text):

TRANS-CANADA AIR LINES

FLIGHT FROM LOS ANGELES TO MONTREAL BY FORMER PRESIDENT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to direct a question to the parliamentary secretary to the Minister of Transport, and ask if he can give us any information on the quixotic mercy flight from Los Angeles to Montreal made by the T.C.A. in which a former president of T.C.A., Mr. Symington was involved?

Mr. Speaker: Order. I think the hon. member will recognize that his question is one which would be better placed on the order paper. He could get more information in that way. I have some difficulty in deciding why it is important that we should have the information at this stage.

Mr. Fisher: I think it is important that we should have this information at this time because there have been many confusing

stories about this, and since a crown corporation is involved I think we should have a clear statement.

Mr. Speaker: I think the hon. member will recognize that there are many confusing statements about many things coming from many sources. I do not believe they require clarification on orders of the day.

HOUSE OF COMMONS

MESSENGERS AND CLEANING STAFF—REQUEST FOR SALARY REVIEW

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. In view of their great need, will the minister ask the commissioners of internal economy to review the case of the messengers and cleaning staff who serve us in this House of Commons, for whom no increases were provided on Friday?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I will ask the commissioners of internal economy to look over the record.

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR MEETING RESPECTING SECURITY INVESTIGATIONS IN UNIVERSITIES

On the orders of the day:

Mr. David Orlikow (Winnipeg North): I should like to direct a question to the Minister of Justice. Has the minister had a request for a meeting to discuss R.C.M.P. matters from the Canadian association of university teachers, and if so has a date for such a meeting been set?

Mr. Speaker: I believe a similar question was answered about the middle of last week. I may be wrong but it seems to me to be the case.

Mr. Orlikow: It is not the same question.

Hon. Donald M. Fleming (Minister of Justice): Since I answered a question in almost the same form I have not received any request from that source for an appointment to discuss any matter. I can assure the hon. member that that organization is quite competent to handle these requests on its own behalf without it being made a matter for questions every day in the House of Commons.

HEALTH AND WELFARE

ROYAL COMMISSION—INQUIRY AS TO REPORT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wonder if I might ask the Prime Minister whether he would inform the house when he expects to receive the report from the royal commission on health services?

Right Hon. J. G. Diefenbaker (Prime Minister): I communicated with the chairman, Hon. Mr. Justice Hall, and he advised me that the expectation of himself and his colleagues was that it would be available in June.

INDIAN AFFAIRS

INQUIRY AS TO AMENDMENTS TO ACT THIS SESSION

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Citizenship and Immigration, and ask him whether he is in a position to tell us when we might have the proposed amendments to the Indian Act presented to the house.

Hon. R. A. Bell (Minister of Citizenship and Immigration): Mr. Speaker, I have nothing to add to what I said earlier in the session.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Barry Mather (New Westminster): I should like to direct a question to the Secretary of State for External Affairs. Would the minister give the house his counsel and advice on what appears to be the French secessionist movement led by Mr. de Gaulle?

Mr. Speaker: Order. I think the hon. member will recognize that first of all he might be inviting a lengthy speech, certainly not the kind of reply given on orders of the day. Perhaps he could reserve his question until the estimates of the department, which are currently before the house, are being considered.

ARTS, LETTERS AND SCIENCES

SUGGESTED ROYAL COMMISSION TO STUDY CANADIAN CULTURAL SITUATION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): One week ago today the Prime Minister, in answer to a question, stated that he intended to make a statement under motions concerning the question of biculturalism and the advisability of setting up a commission thereon, or as an alternative he would make a statement regarding a federal-provincial conference to look into the whole matter of biculturalism. He was going to make that statement last Tuesday, but it was postponed. I wonder if I could ask the Prime Minister when he intends to make that statement.

Inquiries of the Ministry

Right Hon. J. G. Diefenbaker (Prime Minister): I hope to be in a position to advise on the date the day after tomorrow.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to ask the Minister of Finance if he can say when he proposes to bring down the budget for 1963-64.

Hon. George C. Nowlan (Minister of Finance): In due course and without undue delay.

Mr. Knowles: May I direct a question to the Prime Minister?

Mr. Speaker: Order. The hon. member is seeking to repeat the question, and there are other members who wish to ask questions. He can ask his question in his turn.

Hon. Lionel Chevrier (Laurier): May I direct a question to the Minister of Finance, and ask him when he expects to be able to table the main estimates for 1963-64, without which there cannot be a budget?

Mr. Nowlan: Well, Mr. Speaker, I believe the main estimates are now in the hands of the printer. I cannot say exactly when they will be received, but I have asked that the printing be proceeded with as expeditiously as possible, in both languages, so they may be tabled at a relatively early date.

Mr. Knowles: Mr. Speaker, may I direct a question to the Prime Minister. Is the Prime Minister correctly reported in this morning's press when it is said he declared that a budget could not be brought down until the previous year's estimates had been concluded? If he has been incorrectly reported, would he like to correct the report now?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I would not like to correct anything of the kind. I said it would be inappropriate to bring in a budget without having passed the previous year's estimates, and I still so believe.

(Translation):

FINANCE

ROYAL COMMISSION—INFORMATION AS TO PROCEEDINGS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I ask the Minister of Finance a question?

[Mr. Douglas.]

In view of the fact that several chartered banks have made a submission to the Porter commission and that several members of the commission are chartered bank directors, can the Minister of Finance give the house assurance that it will be kept informed of the decisions and intents of the Porter commission, regardless of the position of the commissioners?

Mr. Speaker: I believe the hon. member is voicing an opinion and that he is not actually seeking information.

(Text):

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Tuesday, January 22, consideration in committee of Bill No. C-87, to provide for the establishment of a national economic development board —Mr. Nowlan—Mr. Chown in the chair.

On clause 1—*Short title.*

The Chairman: Shall clause 1 carry?

Mr. Martin (Essex East): Mr. Chairman, just before we resume debate I would like to ask the Minister of Finance, in view of the fact that there has been some considerable discussion of this bill at the resolution stage and some considerable discussion of it on second reading, as we are now on clause 1, which is the only clause that will permit us to have a general discussion, is it his intention to make a statement with regard to the bill? The minister will recall that he spoke at the opening on the resolution stage, but on second reading the measure was spoken to by the Minister of Mines and Technical Surveys, and since that time we have not had any observation from the Minister of Finance.

I am wondering whether he intends, early in the discussion on this clause, to give us his reactions to the various suggestions and arguments that have been made.

Mr. Nowlan: Mr. Chairman, I assumed there were others who would want to speak in a general way on clause 1, and I did not want to delay the discussion. I would be prepared to deal in a summary way with some of the arguments advanced, but I thought it much better to wait until other hon. members had a chance to discuss clause 1.

Mr. Berger: Mr. Chairman, may I, on behalf of the New Democratic party, take this opportunity to put our views before the committee with regard to some of the important

features of the legislation that the government has brought before the house in connection with the national economic development board. During the course of the debate members in all parties—I think some of them for the first time—have seen and acknowledged the necessity for the government of Canada to plan for Canada's future. I think some of the hon. members who spoke were late comers to this point of view, but we in this party are pleased that hon. members representing all parties in the house have spoken in support of the idea that Canada should plan her economic affairs and should plan ahead for her economic future.

All over the world countries have adopted the idea of social and economic planning. They are taking steps in the Scandinavian countries and in the countries of western Europe to plan their national economies to make sure that prosperity and full employment will come to their people in the days that lie ahead. Some of these countries have already achieved prosperity and full employment for their people but in Canada, due to the failure of the present government and its Liberal predecessor to meet the necessity for planning, Canada is declining. Other countries are flourishing while we are stagnating.

We in this party believe we have to take steps to adopt genuine social and economic planning. We have already expressed support for the legislation to establish a national economic development board, but at the same time we have advised the house of our misgivings regarding the form this legislation takes at the present time. We hope something can be done about that as we proceed to consider this legislation clause by clause, for we must adopt the idea of genuine social and economic planning. We must be prepared to establish a genuine national economic development board if the promise of material prosperity and spiritual fulfilment, which the twentieth century holds out for Canada, is to be realized.

I shall deal with one important aspect of planning that ought to be considered by the national economic development board, by the house and by informed public opinion. That is the idea of planning for the consumer, because when we talk about social and economic planning what we want to achieve is not necessarily the maximization of profit, not necessarily more and more production, but to provide for the consumer the goods and services he wants and needs.

Does the consumer today, under the economic arrangements we have, get the goods and services that he wants and needs? The consumer, the ordinary citizen—and all of us are consumers—is exhorted on all sides to consume at all costs. This is his sacred duty to the free enterprise system. He is exhorted to consume all kinds of appliances and all kinds of commodities, but the question this committee ought to be asking itself is, does the consumer get what he wants and what he needs? I do not believe, and I do not think hon. members in the Social Credit party and at least some hon. members in the Conservative and Liberal parties believe, that our industrial machine is producing what people want and what people need. All of us are acquainted with the book that was written by J. K. Galbraith, "The Affluent Society". It is necessary to refer to only one of the examples he gave of the dilemma that faces the United States, and likewise Canada—the dilemma of public squalor in the midst of private affluence. He of course pointed out what should have been obvious to us, what should have been obvious to any administration that was planning the social and economic future of the country, in either the United States or Canada.

I think the most disconcerting thing that was revealed by J. K. Galbraith in his book was the fact that here on this continent we spend more on advertising than we do on education. Of course this leads to the question, what is more important, stimulating artificial demand for goods and services that the consumer may not want, that the consumer may not need, that the consumer may not have the money with which to buy, which may lead to his financial ruination if he tries to obtain them, or to provide that every citizen, every Canadian young and old should have the right to education whether it be technical, academic or vocational; the right to whatever education he can benefit from.

Even in terms of industrial development, even in terms of the necessity for expanding the gross national product, even in terms of the requirement of increased economic growth, it is essential that as we move forward into the age of technology, the age when scientific qualifications in many, many fields will be more than ever necessary; as we move forward into the time when our young people will have to be trained in all kinds of fields and will have to utilize all kinds of techniques that today we barely realize the necessity for, that we devote much greater expenditures to education than we are doing at the present time.

I was talking about the fact that the consumer must be given a place in the kind of planning that we have to adopt in Canada. We talk about the necessity for the consumer to have freedom of choice, and the members of the New Democratic party believe that the consumer ought to have freedom of choice. Economists today talk about the idea of economic sovereignty. Some of them say that

under our present arrangements the consumer has the right to choose whatever commodity he wishes to buy, and we do not wish to take that right away from him.

We believe that right is essential. We believe the consumer ought to have freedom of choice. But does he really have freedom of choice today in Canada? How can the consumer be said to have freedom of choice in an age of administered prices, when the prices he pays and the prices he is charged are not competitive; when these prices are administered by the people who control the large corporations in the key industries?

Last April we had as good an example of the fact that administered prices exist on this continent as we will ever have, when the leading steel corporations of the United States —by sheer coincidence—simultaneously raised the price of steel by $6 a ton. Of course this meant that the price of every commodity of which steel was a component would necessarily be increased by at least an equivalent amount. President Kennedy recognized the necessity for the government to intervene in the interests of the consuming public, and he did intervene and persuaded the steel companies to cancel the increase they had made. I think that is one of the best examples we can have of the necessity for planning for the benefit of the consumer, because that is what we are trying to achieve. We want to plan for the maximization of the choices that confront the consumer. We want to plan to make sure that he has genuine freedom of choice.

We in this party have advocated, on behalf of the consumer, that we ought to establish in this country a ministry of consumers' affairs. We have advocated the idea that in the cabinet there should be a minister representing the consumer, looking after consumers' affairs. We believe that such a minister ought to be a member of a federal planning board. We believe that the national economic development board should be responsible directly to the cabinet, not simply to the Minister of Finance. We believe that the Minister of Finance should be a member of that board, should be its chairman. And we believe that there should be a minister in the cabinet sitting on the national economic development board to represent the consumers of this country.

When we are talking about the necessity for planning for the consumer we have to consider how we can make sure the consumer has sufficient income to enable him to freely choose those commodities that he wants and needs. Of course we in the New Democratic party have advocated time and time again from this section of the house the necessity in Canada today for stimulating consumer demand, for a planned increase in the supply of the money and credit, not an indiscriminate increase such as was advocated by the Social Credit party when it put before the house the idea of debt free money—an idea, incidentally, to which the Leader of the Opposition subscribed at that time. The Leader of the Opposition, in the debate on Friday, referred to the social and economic planning advocated by the New Democratic party as "magic nostrums"; yet the Leader of the Opposition advocated the idea of debt free money only a few months ago in this house, or at least his right bower in economic affairs, the hon. member for Davenport, advocated the idea of debt free money.

I suggest that it does not lie in the mouth of the Leader of the Opposition, who put forward that fantastically irresponsible idea, to denounce the members of any other party in this house as advocating "magic nostrums". I do not think the Leader of the Opposition had any clear idea of what debt free money involved, but at least his right bower in economic affairs should have known better.

We in the New Democratic party believe in the necessity for expanding Canada's social capital in order that additional money may be made available and spent. This may involve planned deficits; not the kind of financial chaos that this government has imposed upon the country, but planned deficits designed to enable municipalities, provincial governments and the federal government as well to increase the supply of social capital in this country, to increase the number of schools and hospitals, the number of community centres, to supply the country with the highways and bridges that it needs.

Mr. Chairman, we believe these things could be done, and in the process the number of jobs, the amount of money and consumer purchasing power would be increased, and the consumer would benefit because he would have the money to enable him to exercise genuine freedom of choice. We also need a countrywide minimum wage law to increase the incomes of consumers all over the country.

Let me point this out. Even if the federal government concerns itself with the necessity for taking all these steps to increase consumer demand, to give to the consumer sufficient income to enable him to buy the things he wants and needs, that will not suffice unless the planners, the federal government, concern themselves with the problem of interest rates. The necessity for regulating interest rates in this country should now be apparent to hon. members in all parties. It should now, I hope, be apparent even to the members of the cabinet. We already supervise the lending activities of the chartered banks; we already

regulate the interest charges which they make to the public. Surely it is time we got around to regulating the lending activities of finance companies, small loan companies, department stores and furniture stores. Surely it is time the federal government supervised the lending activities and regulated the rates of interest that are charged by these companies. It is necessary to cite only one or two statistics in order to justify the case for federal legislation to regulate interest charges in this country.

The Chairman: Order. The hon. member is making it difficult for the Chair with respect to relevancy, especially as he speaks of other legislation which has nothing whatever to do with this bill. I have looked at clause 9 of the bill before us, and I know it lends itself to fairly wide scope for debate; but there are private members' bills having to do with the subject the hon. member is now considering. I think he will agree with me I have been tolerant as to relevancy up to this moment, but before he begins to quote examples which go into detail on a specialized subject I caution him that I would have difficulty in relating them to the bill under consideration.

Mr. Martin (Essex East): May I speak on the point of order? I do not want to detract from the implications of the statement which Your Honour has just made. On the other hand I would not wish your observations to preclude a debate which I think is inevitable on this matter. It seems to me that on this bill we are entitled to discuss whatever subject matter we believe should come within the compass of a national economic development board. It is true that clause 9 is fairly general in its scope. Some of us might argue that it is not general enough. If one does not stand up at this time and make an observation of this kind one might be precluded later on from taking a position as to what should be the scope of this bill, and I strongly suggest that the whole economic life of the country is involved in this bill, at least to the extent that it is open to hon. members to suggest that the bill should encompass the total economic life of the nation.

Mr. Douglas: When the bill was in the resolution stage it was described by the minister as having to do with economic planning for Canada. It is difficult to explain how we can discuss economic planning for Canada in isolation from such questions as instalment buying and the high interest rates which are related thereto, because they form part of the consumer problem which in itself is a most important part of the economic situation. I think it would be difficult to circumscribe a discussion of this type by ruling out consideration of such matters as interest rates and instalment buying.

The Chairman: I rose as a precautionary measure having heard the hon. member say that he intended to proceed with this matter in some detail. If, for instance, we were to allow a discourse on examples of harsh interest rates and so on it could come to a point where, in my view, it would be outside the scope of this bill. I did not make any ruling, and the hon. member may proceed now.

Mr. Baldwin: Perhaps I might make a brief comment on your observations, Mr. Chairman, because this is a matter which might come up later on. It is true that at the resolution stage and on second reading it is obviously difficult, when we are dealing with a bill of this nature, to curtail the scope of debate, but it is my submission that when we come to debate in committee there are rules which set a perimeter around the discussion, which must then have some limit. To that extent I submit that your caution was well deserved.

Mr. Berger: I appreciate the brief intervention you made in the debate, Mr. Chairman. Before my hon. friend the member for Burnaby-Coquitlam and the hon. member for Essex East rose to speak on the point of order and to point out the relation between the regulation of consumer credit and economic planning on a countrywide scale, I was about to say that the amount of money which the people of this country owe to the finance companies, the small loans companies, the department stores and the furniture stores totals $2,450 million, while the amount they owe to the chartered banks totals $1,600 million. Thus the people of this country owe almost 50 per cent more money to these financial institutions, which now go unregulated, than they do to the chartered banks, which makes this problem a matter of great concern to economic planners and one which should be considered at an early stage by the members of the national economic development board when it is established.

Your Honour was somewhat disturbed lest I recite a series of examples of the imposition of harsh rates of interest upon members of the public. I did not intend to do that, but I agree with what, I think, was implied in Your Honour's remarks, namely that these examples are so numerous that if we once began to recite them members in all parts of the house would have hundreds of cases to lay before the minister. I am sure all hon. members are anxious that the minister and the national economic development board should consider this problem at the earliest possible time.

National Economic Development Board

There are some general features attached to the imposition of interest charges which ought, in my view, to come to the attention of the board at the earliest opportunity. These financial institutions that I have mentioned use a number of techniques to increase interest charges to those who make loans from them and to people who buy their goods far beyond any reasonable limit. There is the technique of not quoting the rate of interest, of simply telling a consumer that he is buying for so much down and $10 a month. There is the device of the added rate. A consumer is told he is paying, say, an interest charge of $6 on $100 over a period of one year, which sounds as if he were paying only 6 per cent. In fact, because he will have paid off at least half of the debt at the end of six months, he will be paying 12 per cent. There is the technique of the discount rate. A consumer receives $94 and then has to repay $100. This sounds like an interest rate of 6 per cent, but it is really 12 per cent. Then there is the simple monthly rate, which is what the department stores use in their revolving credit plans. The consumer pays 1½ per cent a month, which is actually 18 per cent a year. A consumer may pay 3 per cent a month to a small loans company. That is 36 per cent a year. These are all aspects of the problem of excessive interest charges, and the national economic development board ought to consider the whole question as one of urgency.

We in this party believe there must be legislation to curb the exaction of excessive interest rates and to restrict interest charges to reasonable limits. We do not go so far as to advocate the idea of debt free money. I know this is one of the sacred policies of the Liberal party, one which they espoused with a good deal of vehemence last fall and one which the hon. member for Davenport and the hon. member for Essex East expounded to the house with their usual eloquence.

Mr. Martin (Essex East): Of course the hon. member is wrong once again.

Mr. Berger: Nevertheless some of us were not persuaded that debt free money is a sound policy. We in this party believe we ought not to adopt policies such as debt free money, a policy which has been rejected by every reputable economist. We believe we should rely on policies which will commend themselves to people versed in economic affairs and who have some knowledge of sound economic and fiscal practices.

One of the policies which does commend itself to people who are knowledgeable in this field is a policy of regulating excessive interest charges and limiting interest charges to reasonable levels. That is what this party believes in. We believe that this is a measure that the national economic development board ought to consider. This is a measure which justifies, in fact commands, legislation at the earliest possible moment by this government, or by any government which may succeed it. We believe that the consumer ought to be protected. We believe that legislation to regulate interest charges is one of the essential ways in which this protection can be afforded him. That is why, as the chairman of the committee quite rightly pointed out, some members have submitted bills to regulate interest charges. I myself, Mr. Chairman, have submitted such a bill.

Mr. Chairman, let me conclude my remarks by saying that the earlier the ministry, the earlier that this house, and the earlier that the national economic development board give their attention to the problems of the consumer, the better. When we are planning our economic affairs we are seeking to provide for the consumer the goods and services which he wants and which he needs. When we talk of planning we are concerned about maintaining a level of income which will enable all Canadians to purchase the good things which ought to be available to every one of them. We can do this only if we are prepared to regulate not only the supply of consumer credit, but also interest charges. Otherwise, if we took steps to increase the level of consumer credit—

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

Mr. Berger: Yes.

Mr. Gregoire: Is it his intention to see that the consumers buy with borrowed money or with money they have?

Mr. Berger: I should like them to be able to buy with money which they had earned, with money they had earned in jobs which can be made available to them if we adopt the idea of genuine economic planning, as they do in so many other parts of the world. I believe that they ought to be able to borrow money if it becomes necessary for them to do so, but only at reasonable levels of interest. I suggest that it is a sad commentary on the kind of government which this party and that party have given us when we do not yet have on the statute books of the nation legislation regulating interest rates in the same way that the bills now before the house, and which will shortly be debated, call for.

Mr. Gregoire: Do you not think that we have enough debts in the country now? Let some people secure money without having to borrow.

Mr. Berger: Mr. Chairman, as the hon. member for Burnaby-Coquitlam has quite rightly pointed out, what we need is money which will buy something, money which will maintain its buying power. If hon. members do not yet realize this they should, but the policies advocated by the party of the hon. member who asked me the question are such that if we adopted the idea which they share with the Liberals, or debt free money, the result would be a galloping inflation in this country. If we accepted the magic nostrums put forward by the hon. member for Davenport, the savings of old age pensioners and the savings of other people on fixed incomes would be wiped out. There would not be any prosperity for anybody then. You must plan your economy. Increasing the money supply and increasing the supply of credit is only one of the economic tools which ought to be used when planning your economy.

Mr. Chairman, I was in the process of concluding my remarks when the hon. member was good enough to interrupt me and enable me to prolong them. Let me just finish by saying that we in this party are going to fight in this parliament for legislation to regulate interest charges. We believe that this is an essential policy, a policy that ought long ago to have been adopted by the government of this country. We intend to do our best to make sure that that policy is adopted in this parliament.

(Translation):

Mr. Sauve: When the establishment of a national economic development board was announced in the speech from the throne, most hon. members, I am sure, were delighted at the action taken by the government in this field. I am afraid, however, that the government foreshadowed in the speech from the throne much more than it is actually introducing in the house.

I remember that in the speeches delivered during the throne speech debate, government members told us that the government was finally bringing before the house a revolutionary bill, a measure of utmost importance.

Now, I find that this bill was read for the first time on November 28 and that today is January 28. Therefore, more than two months have elapsed since this bill was introduced and I am not aware that it is members of the opposition who have delayed the passage of this bill.

I believe, on the contrary, that in the case of this bill as well as that of the other measures it has introduced, the government has always postponed the debate on the grounds that it had to deal with more urgent matters that came up unexpectedly.

Thus it is that, in a few days, we shall be called upon to vote interim supply, eleven twelfths. To my knowledge, it shall be the first time in the history of this house since confederation that such a measure is put forward.

Newspapers are devoting a lot of space to the difficulties now facing the government. Having had to delay until now its requests for funds, it has been wondering how to get out of this fix.

I note also that the Minister of Finance (Mr. Nowlan) has been content to put forward only the introductory resolution of this bill and, as the hon. member for Essex East (Mr. Martin) observed a while ago, he has not even made any comment since. In fact, it was the Minister of Mines and Technical Surveys (Mr. Martineau) who introduced the bill in this house.

I find it strange that, for a measure as important as this one which is considered essential to the recovery of our country's economy, the government should have waited until today to resume the discussion.

I find it even more strange that the responsible minister was not always present in this chamber while the measure was being discussed.

We have now reached the committee stage and I intend to make a few remarks on the nature of the bill.

The presentation of this bill concerning a national economic development board seems to conflict with two other bodies created by the government: the national productivity council and the Atlantic development board.

I do not understand very well what the government had in mind when it set up those regional or special boards that do not seem to report to a higher body, like the one it proposes to set up now.

Mr. Gregoire: It is because they do not know what to do.

Mr. Sauve: I wonder, in fact, as the hon. member for Lapointe (Mr. Gregoire) has said, if the government is not simply looking for measures that might yield political advantages, giving no real thought to the most important problem, the economic development of our country.

When I read this bill, Mr. Chairman, I am surprised to find that its scope is so limited. One would get the impression, on reading it carefully, that the government, in order to satisfy public opinion which demands measures of this kind, has decided to introduce a bill without giving it any real substance.

National Economic Development Board

In this bill there is a frequent reference to consultations, to the possibility of members of the board to present briefs, suggestions, to waiting for directions from the Minister of Finance, but it seems prevented from taking any initiative.

I really wonder what will come out of this bill. I am happy, however, that it was introduced because at least it is an indication that we are on the way of what is commonly known as "indicative planning".

I intend this afternoon to dwell a little longer on this indicative planning. I am pleased to see that the government has decided to apply at least part of the electoral platform of the Liberal party in the last general election. Indeed, I read at page 14 that the Liberal party of Canada proposed the setting up of an economic council.

And the government picked up the idea.

An hon. Member: Twenty two years too late.

Another hon. Member: Why did you not do it in your time?

Mr. Sauve: We are in the opposition, not in power. At the time when we were in power, we maintained economic activity at a high level. It is only since the Conservative party came to power that the economic situation has deteriorated in this country.

At all events, the Canadian people passed judgment at the 1957 election and we do not have to discuss it. But we are certain, as all Gallup polls indicate, that come the next election, that is in a few weeks, and the Liberal party will come back to power; and I understand quite well why our friends to my left hesitate so much to help us to overthrow this government. The Social Credit members are ashamed because they know very well that last June they were elected to oppose the Conservative government, but they supported it since they have come to sit in this house. So, they are afraid to face their electors because they will be sent back home.

Mr. Pigeon: You had to take shelter on the Magdalen islands.

Mr. Sauve: It is a wonderful riding and the hon. member might like to get elected there, but it is a sure thing that he could not do it at the next general election.

I was discussing indicative planning, Mr. Chairman. What interests me in indicative planning is the goal that is usually pursued. As you are aware, the French government at the end of the war developed the Monnet plan. And in 1958, a French author named Pierre Bauchet wrote a very interesting book, entitled; "The French experiment in planning". I would like to quote two lines from that book to show you what, to my mind, is the main objective of planning.

On page 21 of the book I just mentioned, it says:

> A concern for full employment is, indeed, one of the essential motives for planning.

Now, I am surprised that in this bill there should be no section aimed at full employment, because the unemployment situation is alarming in Canada at this time.

May I refer to the latest report of the dominion bureau of statistics on the labour situation since 1962, where it is said that on December 15 there were 414,000 people without jobs.

Now, government members may declare loudly that our economy has improved in 1962, but the fact remains that 414,000 Canadians were without jobs. The figure is excessive. In fact, it means 6.3 per cent of the labour force. Now, 6.3 per cent of the labour force means the highest unemployment rate among the NATO countries.

I shall now quote from a document which was published in September 1962, under the title:

(Text):

"Report of President's committee to appraise employment and unemployment statistics, U.S. government printing office."

(Translation):

Figures are given, on page 235, concerning the unemployment situation in 1960, and it can be seen that the figures for December 1962 do not differ very much from those given for Canada in 1960.

In the United States, unemployment represented 5.6 per cent of labour; in France, 1.9 per cent; in Western Germany, 1 per cent; in the United Kingdom, 2.4 per cent; in Italy, 4.3 per cent; in Sweden, 1.5 per cent and in Canada, 7 per cent in 1960 and 6.3 per cent in December 1962.

The level of unemployment is still high in Canada. But, and this is more serious, unemployment is not of the same extent throughout all areas of this country.

I believe that is one of the causes of uneasiness that is felt in many areas of the country.

To support my contention, I should like to put forward a few figures. For December, in the whole of Canada, the figure was 6.3 per cent.

If we look at the statistics for the different provinces or areas, we see that unemployment affects 11.6 per cent of the labour force in the four Atlantic provinces; 8.4 per cent in the province of Quebec; 3.9 per cent in Ontario; 4.5 per cent in the prairies; 7.7 per cent in British Columbia.

There is therefore undue unemployment throughout the country, but it is more acute in certain areas and very acute in the province of Quebec.

An hon. Member: With a Liberal government.

Mr. Pigeon: Would the hon. member allow me a question? The hon. member is talking about unemployment in the province of Quebec. Is he not of the opinion that the provincial government has certain responsibilities in that field?

Mr. Sauve: I shall come back to this aspect of the situation in a moment when I deal with the co-operation that is necessary between the federal and provincial governments.

I was speaking of unemployment and I believe that it is extremely revealing to consider at the same time the personal income per capita. Here we notice differences that are still more substantial. On page 38 of the last report released by the dominion bureau of statistics and entitled "National account, income and expenditure, 1961", we find figures for the personal income, per capita, in 1961.

If I mention these differences as between the various areas, it is because I shall later on insist on the importance of regional planning in a national economic development board with indicative planning. In Ontario—and this will certainly interest my hon. friends from the opposition sitting on my left—in 1961, the personal income per capita was $1,829; in British Columbia, $1,809; in Alberta, $1,582; in Manitoba, $1,476; in Quebec, $1,332; in Nova Scotia, $1,191; in Saskatchewan, $1,184; in New Brunswick, $1,054; in Prince Edward Island, $952; and in Newfoundland, $904.

Now, I notice that there is a difference of $497, or 37 per cent, in the personal income per capita between Quebec and Ontario.

Thus, I do not wonder why discussions are going on in the province of Quebec whereby people are questioning our whole participation within confederation. When we realize that our people are in an inferior position as regards unemployment, personal income, civil service, big companies—privately owned and crown corporations—we wonder whether the economic situation is not mainly responsible for this attitude taken by the population of Quebec on its relations with the rest of Canada. That is why I believe that a national economic development board, at the federal level, is very important as long as it is well directed or organized, and has definite purposes. We cannot be satisfied with a body which will only collect statistics or wait until the minister directs it to make certain inquiries.

On the contrary, we must have a body bent on co-operating with the economic councils in the provinces, a body which will be concerned with regional development and production, which will envisage a full employment policy, the goal of indicative planning, as I mentioned earlier.

Indicative planning is easy to establish. We might very well provide for this in the bill, and I am certain that the whole Canadian people would welcome it. We should set up a working committee which would consult the various groups interested in production, the various professional groups which would submit reports pointing out to the Canadian government the objectives we are able to reach. For instance, there is in France a research body called the Monnet plan, which is composed of 90 people at the most. Those 90 people consult nearly 4,000 leaders of organizations, economists, labour union leaders, representatives of management and farmers' unions before suggesting the objectives to be reached within a certain period. When everybody is in agreement with regard to those objectives, the plan is submitted to the French parliament and means of reaching the proposed objectives are suggested. If it is impossible to so so by agreement among the interested people, no intervention on the part of the government could force them to reach those objectives.

There is also in France what is called government incentives, as we have them in Canada, but without any planning. For instance, for quite a long time the government has been subsidizing the gold mines, the transport of coal, and the transport of wheat from west to east. Grants are handed out without any co-ordinating policy. The government might very well resort to fiscal and other incentives and give priority to certain industrial areas.

To my mind, we could use such indicative planning in this country. For instance, I see no reason why we might not all agree on the objectives to be attained. I am convinced that

all members in this house will admit that there is no valid reason for such a high unemployment rate in this country.

If we want to fight unemployment, we must agree on the means to do so effectively. As I pointed out a few moments ago by quoting some figures, unemployment is not the same throughout Canada. We might therefore try to favour some areas or some industries, so as to enable them to increase their production, in order to check unemployment in those districts. We have to promote full employment by all means, as well as co-operation between the various provinces and the federal government in the field of public investment. Every year the federal government as well as the provincial and municipal governments spend considerable amounts while there is no co-ordination between the various levels of government in investment matters.

Governments often act simultaneously on the labour or material markets, thus creating a temporary artificial scarcity. The federal government, the provincial governments and the municipalities do their borrowing without getting together to co-ordinate their borrowing policy.

It should be possible, within the proposed board, to plan government expenses in the field of capital expenditures, to organize planned government borrowing at federal and provincial levels.

This bill is based on the assumption that what is good for private enterprise or for individuals, is good for the community as a whole.

That is the famous saying which a former president of General Motors used when he said a few years ago:

(Text):

What is good for General Motors is good for the United States.

(Translation):

Now, that is a philosophy with which I totally disagree. The common good is not an aggregate of what is good for particular groups. We could all be very happy on our street and keep our door-step clean, but that does not mean that the sidewalk will be in the same condition throughout, that the garbage placed outside our door will not bother our neighbours.

I have always been amazed to find that the intervention of the government in certain fields has been accepted without discussion, and most particularly in postal matters, health, transport, communications, radio, television and highways, and when it is a matter of national economic growth, instead of taking steps to fight unemployment or to develop certain underdeveloped areas, the government should retire behind the screen of "laissez-faire".

However, during the last war means were found to co-ordinate the efforts of the nation as a whole, in order to achieve a specific objective: victory. I am still wondering why, in peacetime, means can not be found to reach the very specific objective of full employment.

Of course, a bill like the one now under consideration is a beginning, a starting point. In fact, we are now on the way to an indicative planning policy, which is very well explained in the excellent paper issued by the national productivity council, entitled "Report of the European Mission". This booklet makes extremely interesting reading, and I wonder why the government has not drawn on that report to draft its own bill. It seems very well established that the members of that mission came back from Europe impressed by the indicative planning program in operation in the European countries they visited. Here is what we find in paragraph 24 of the said report:

All countries visited admit the necessity of planning, under one form or another. Most countries make use of "indicative planning" as one of the measures most likely to ensure economic growth.

Mr. Chairman, I feel that when we come to the consideration of the various sections the bill could be amended, so that when parliament has adopted it we may all rejoice, both members of the government and those of the opposition, at the very extremely important move which will finally ensure this country a policy of full employment, a decrease in unemployment and better relations between all Canadians, which we all desire and hope one day will be achieved.

(Text):

Mr. Peters: Mr. Chairman, that is a very important bill because in my opinion it very definitely affects the life of the communities which I represent. However, in reading it I am surprised to find it only goes to the extent of providing a board which will collect information and make it available to the minister. If there is going to be any advantage from national economic development, what we need is a board that will be able to advise the government and provide it with the knowledge requisite for the formulation

of a policy that the government can implement for the areas that are selected, either by the government or the board, for specific attention.

This idea has been adopted by governments all over the world. I have been very impressed, speaking to people like George Cadbury who has been attached to the United Nations, to find that the United Nations has sent officials to places like Ceylon, Jamaica and other newly developing countries to establish councils to advise their governments of the potential wealth of their countries and how to get the most out of national economic development.

We in Canada are faced with many major problems, and I do not make any bones about the fact that I do not expect the government, through this bill, will solve those problems. However I hope and believe they can be solved. I have no more faith in this government than I had in the Liberal regime which, it must be said, had a bureaucracy established that would have been able to undertake this type of work without such a board, if it so desired. Now, with a government that cannot run its own affairs, that finds us on a Monday, only a few weeks from the end of the financial year, without the supply motions necessary to allow us to discuss the business of the house in an orderly fashion, I cannot expect such a government to be able to take the advice of this board and put it into effect in order to establish economic equality across Canada.

The government has so little faith in this type of thing that it has brought forward a bill to apply to the Atlantic provinces. Why does it do this? To some extent, like the government, we are representative of the provinces and the provincial governments. The former speaker mentioned that in the province of Quebec this has been a great problem and that there were problems of a national nature in Quebec that were going to be aided by this particular bill. This is true of all the provinces, and it may be the reason for the introduction of the bill providing for an Atlantic development board, with stronger provisions than this bill. It may be that the provinces, the provincial governments and people generally throughout Canada are not yet ready to provide the government with the machinery that would establish an economic development council to provide full employment for all the people. It may be that they are not ready to support a bill which would provide the machinery necessary to make the most use of the wealth we have and achieve reasonable economic development in all parts of the country, using the wealth of the country.

We are particularly concerned with this in my area. We have built numerous communities on the strength of the basic resources of this nation. Many of our towns are only celebrating their semi-centennial this year. Many of them were very progressive in their day. One has only to drive through the town of Cobalt to know this. The people there talk of the days when there were electric railways running throughout the silver area, from Cobalt to Haileybury and New Liskeard, and from Cobalt into the Kerr lake camp. All these towns were further developed 40 years ago than they are today. It seems to me a shame that the people of those communities should find themselves going backward instead of forward, with their only hope lying in this type of development.

It seems to me the time has now arrived when we should not any longer be taking people to industry, like we still are in many of our larger cities, but that we should take industry to the people and to the communities that have already been developed. I am not suggesting this is the only thing we should be doing, but it is one of the first things we ought to do.

Why was it necessary in countries like Sweden, France, and most of the major countries of Europe? I would suggest it has been necessary because the free enterprise system works only on the principle of building up profits rather than on the establishment of economic welfare for the people as a whole. I think this has been recognized by many countries throughout the civilized world, and it is now being recognized in a small, token way by the government of Canada and the people of Canada.

It is surprising what favourable steps governments will sometimes take, but eventually they do take these steps. It is also surprising that these steps should be taken by a Conservative government, when one considers the fact that the Liberal party suggested they are to the left of the present government. I was surprised to read in Saturday's newspaper that in the province of British Columbia a Conservative government was suggesting a medicare program for the province.

An hon. Member: A Conservative government?

Mr. Peters: The Conservative party. The Conservative government that is in power there has not got around to implementing such a program but I suggest this is only a matter of time; it also will make the same suggestion before the next provincial election.

One of the major things with which we should be concerned, apart from relocating industry, is the development of an economy

for Canadians by Canadians. Many times I have been shocked by the control exercised by countries not under our jurisdiction but working within our boundaries. Not only is this work done by corporations of other countries but even sometimes governments of other countries.

I believe we are going to be advised in the next few months that we will be regulated to some extent in our economic development by what happens south of the border in relation to agricultural products. It has been suggested that if the United States, through legislation in that country, decides to scrap the present support program in regard to wheat, one of Canada's major developments will be in jeopardy, and rather than producing $2 wheat they will be producing $1 wheat. I wonder where our average of $1.50 will go if this happens. There is very little we can do about it in the present circumstances, and it seems to me that if a national economic development board is going to meet the needs of the Canadian people we must be in a position to do something about it.

On many occasions we have heard from and met with representatives from the automobile industry in this country. This seems to me to be a wonderful opportunity for the hon. member for Essex East to rise in his place and demand Canadian government assistance for an industry which should be Canadian. It is well recognized that it is rather foolish to buy cars that are manufactured for desert conditions and for conditions very unlike those in northern Canada; it is foolish to pay money for a product that is not meeting our needs. It is in the interests of the Canadian government to give some assistance to developing a product that will meet the needs of Canadians, and will meet them by the establishment of an industry that will produce something that is good for Canadians.

We must always be shocked—certainly I am always shocked—to hear that because of legislation or regulations passed in another country we are stymied in our economic development in this country because of our limited ability to sell the product which we manufacture. I refer to the Ford situation where Canadian firms were not able to sell to one country because it was considered not to be in the interests of another country.

Mr. Pugh: Would the hon. member accept a question?

Mr. Peters: Sure.

Mr. Pugh: Sell in what other country?

Mr. Peters: Pardon?

[Mr. Peters.]

Mr. Pugh: The hon. member mentioned Ford cars. Sell in what other country? What is the name of the country?

Mr. Peters: They were trucks to be sold to red China.

Mr. Pugh: Thank you.

Mr. Peters: Mr. Chairman, that is a very, very interesting question. The hon. gentleman, I presume, comes from western Canada, and he does not rise in his place and say—

An hon. Member: He comes from the west coast.

Mr. Peters: Well, that is western Canada even if it is on the west coast. He does not rise in his place and object to wheat being sold to red China, but he objects to trucks being sold to them. At least, that is the implication in his question.

Mr. Pugh: On a question of privilege, Mr. Chairman, I raised no objection whatsoever. It was the hon. member's party that raised the objection to selling wheat to China, I thought; he certainly has no objection to selling cars to China. I certainly have not myself.

Mr. Peters: We in this party I am sure have no objection to Canada selling anything of a non-military nature to any country in the world which has the money to buy it or trade that can be used as barter for that product. We are a country that has to develop and we need to do so in an industrial sense. We can, it is true, increase our production tremendously in an agriculture sense, but at the present time we are not able to sell our present agricultural production. Industrially this country has a lower wage scale than many other countries throughout the world, and I believe we are in an advantageous position to go into the production of many, many other things. But I suggest that the economic development council would have to inform the government that assistance was necessary if this were to happen. We decided to sell food to Cuba, and we received a great deal of condemnation from several parts of the world for doing so. I believe that if the Cuban people wish to eat—and I think they do—and there is a product we can sell to them and they have one which they can sell to us, then we should do that and we should not care whether it suits the needs of someone else's economic blockade because they lost one of their little corporations.

I believe this is something Canadians have to do. That is why I am so shocked every time I hear a Liberal spokesman rise in this house and defend the right of another country to have some control over our corporations.

I think the Ford example is a good one to think about, because we have all met delegations from the automobile industry which have informed us that a great many of the employees of their industry are unemployed because no expansion is taking place in the automobile industry in Canada, and yet more cars are being sold in Canada every year. I think this is one of the things to which Canadians should give consideration. I believe that this domination of capital from other countries may make it necessary for the federal government to get into the field of supplying capital to industry in those areas that need it.

I have always been very pleased and very proud of the fact that the maritimes, an area which I agree needs development as badly as any other area in Canada, have on their own, without government assistance initially, developed the idea of industrial estates. I am pleased that the federal government, through the Atlantic economic council bill, gave some assistance to the idea of establishing industrial estates in the provinces of the maritimes. I suggest that this right should be given to the rest of Canada. If the rest of Canada is not ready for it, then let the federal government give leadership in developing plans so that the people will know the advantages of this type of development and will assist in bringing it about.

We in northern Ontario have always depended upon our natural resources as the main source of our income. There have been several examples where these resources have not been utilized for the benefit of Canadians. Right now silver that is being produced in my area in very large quantities is being shipped to the United States for manufacturing and refining to the extent where it can be used by the Canadian mint. Then what happens? The Canadian government go to the United States and buy that silver back because we have not the guts and the gumption to put $500,000 into the refinery that we already have in Cobalt. This plant can produce the mint silver that is required by the Canadian government and the Canadian government would save $2 per ounce if we were to do that. It seems to me that we have a terrific love for a foreign country if we are prepared to pay them an extra two bucks for the silver we carry around in our own pockets. This government has not the ability to decide that this Canadian industry is worth saving and do something about it.

We are going to be asked in the near future to assist this refinery. When the refinery at Deloro closed its doors United States interests offered to smelt the silver that we were not capable of handling. We are now capable of handling it. We have this plant—it was operating under very odd auspices until recently—and it is worth the federal government investing some money in it to see that it operates in Canada for the benefit of Canadians. The silver industry is no small industry. This can be readily ascertained if we bother to find out the quantity of silver that is being bought at the present time from the United States. I do not blame the entrepreneurs in the United States for dealing with Canada in the way they have, but I do blame Canadians for allowing this or making it necessary. We have near Kirkland Lake an area which is a good example in this connection. The town of Kirkland Lake itself is dying quite rapidly. Every year another mine closes down. Miners are being laid off and no industry is being developed in the area so that this particular area can continue its economic growth in co-operation with other areas throughout Canada. Yet we found last year that a United States corporation was willing to come into the Kirkland Lake area, establish the Adams mine and start a mining development on which they expect to spend $30 million or $40 million in the next two years. I thank them for doing something which Canadians themselves were unwilling to do, and in some cases incapable of doing. I think there is a terrific waste of our natural resources in allowing this to be done.

I know we are not yet developed to the point at which we can use the total production of this large and worth-while mining operation but I think we are in a position where we could put in a smelter and develop a degree of manufacturing of iron and steel in that area so as to make it a booming area again. It seems to me that this iron industry will eventually employ people in secondary industries connected with it to the number of 4,000 or more, yet we in Canada will only have 300 or 400 employees. Again, we are to be hewers of wood and drawers of water for Americans who have more foresight than we have ourselves. If this government wants to develop a worth-while enterprise, an iron and steel industry in northern Ontario would be a venture well worth considering and, since it is already in the embryo stage, it would not cost too much money to carry out.

The idea of relocation of industry has been adopted by almost every major, economically developed country in the world, countries which have a high standard of living as hon. members may check for themselves. These countries have decided that they cannot afford to enjoy the luxury of unemployment such as this country still thinks it can afford, but cannot. I think one of our major advances in this country must concern the development and diversification of our industry, and the

diversification of industry must inevitably lend itself to government planning. Why should industry go into towns and cities in metropolitan areas where more is asked for a small business site than would be asked for a whole city block in less congested areas, which are already developed, with water, sewers and electricity laid on; areas where the municipalities would provide the land almost free of cost because they are anxious to have industry and willing to help to the extent a small municipality can? What assistance do such municipalities get from the federal government?

The Minister of Finance is interested in this bill and rightly so. He has shown an interest in other acts for the development of Canada. But I wonder if he has given real consideration to the relationship between this bill and the Industrial Development Bank Act. There are a number of small industries in my own area which have gone to the industrial development bank for loans only to find that no money is available. Eventually they got the chartered banks to lend money with respect to enterprises which the industrial development bank had declined to accept as security. For example, ten or 12 farmers were running a co-operative dairy. A second dairy was going bankrupt and they went to the I.D.B. to ask for a loan. They have a large modern building with a great deal of equipment and by adding the second dairy they would almost double the amount of equipment available. They were not acquiring the other dairy merely in order to expand but, as I say, because the other dairy was going bankrupt and the farmers would be left holding the bag if someone did not bail this concern out of its difficulty. The I.D.B. told these farmers that the building was not worth more than the mortgage they held on it. They were told that their farms and their collective value as citizens did not mean anything at all. The bank wanted to see everything in black and white. They wanted to be able to seize the building and recover the value of the loan if anything went wrong, ignoring the fact that it would be a dairy with farmers depending on it. Money could be lent only on the building itself. I believe the collective value of our citizens is important. I believe the collective value of our farm economy is important. In addition, I believe the value of our unemployed should never be forgotten. These are all matters which should be taken into consideration. The other day I was approached by a young man who had bought a dry cleaning establishment. He told me that money was not available to consolidate his mortgages. These mortgages were considered good enough to be collateral for the building and for the equipment he had bought. Yet when he went to the I.D.B. and asked for consolidation of his debts it was no dice; the building was not worth enough, and that was the only thing they could lend money on. What kind of a development are we going to have if this is the way things are carried on? Suppose we ask for money to develop a mining venture and the only thing the company has are buildings above the ground? Is the I.D.B. prepared to help an industry of this kind? I doubt it. Unless we revise the bill before us it will not serve industry in any way whatsoever.

The minister does not need further statistics to be collected. We already have statistics available. What he needs, as we see it, is a national economic development council which will tell him where we can get the most in the development of Canada out of specific expenditures in a particular field at a particular time. The government must then decide to do something about it. It is not good enough simply to advise the Minister of Finance, because the Minister of Finance is in a difficult position always. He finds that when everything else is paid there is nothing left over, the same as you and I do at the end of the year. If we are to undertake our economic development on the basis of whether the Minister of Finance says it is economically feasible or not we shall find we shall never develop anything in this country because there will never be any money left over. Hon. members can ask the char staff and the messenger service what happens when it comes to getting down to the bottom where the money is needed the most. The areas where development is really needed will be neglected in favour of the larger centres. They will find there is no money available for them, just as the char staff and the messengers have found. There can be no doubt as to the necessity of guiding the relocation of industry. Areas such as metropolitan Toronto and London, Ontario, are already facing problems of access and transportation which were unheard of 30 or 40 years ago. Problems such as these could readily be solved by industrial planning but the remedies which are most appropriate cannot even be considered under the terms of the bill which is now before us.

There are occasions, it would seem, when industrial plants are switched to other areas without even economic reasons being given for the move. There was a small plant in a town in my own area which moved to another town not very much larger. I asked why it had moved and was told that the president's wife did not like the society she found in the first town. That was the reason why the concern moved. It is surprising that a free

enterprise system can be so arranged that even economic considerations need not be taken into account, but that an action so important to employees and others can be taken merely on the whim of particular persons. Another company left the town where I live and established itself in the city of North Bay. The head office is there and the company has between 60 and 70 employees —not many, but still the departure of the company was a considerable loss. The reason given for the move was that the comptroller lived in Montreal and found it easier to go to North Bay than to New Liskeard. By its very nature the free enterprise system works severe hardship on people, and though this is usually done under the guise of economic interest it seems to me sometimes even this motive is badly bent.

The federal government can give important assistance to the development of this country. Much of the knowledge needed has already been obtained. We do not necessarily have to go to Europe to find out what has been done in the various countries there, though I think this would help. Also, I believe, it has been done on many occasions. I know that when a man engaged in the lumber industry in my area wanted to find out how he could get the most out of his factory for a dollar—and he was engaged in an industry where the efficiency was very low—he went to Sweden and asked them what they did. When he came back to Canada I do not think he applied the Swedish system. I think he used the education which he had to adapt it to the Canadian way of life, and he now has a flourishing industry which uses many years of experience gained some place else to adapt itself to the Canadian system.

I think that we have to apply this method not only to the field of industry but also to the field of transportation. The economic development of this country will be retarded for many years to come if we do not face and come to grips with a national transportation policy. In my own area transportation is always cited as the only reason why secondary industry cannot come into northern Ontario. People say that this means the transporting of raw materials into the area and taking out of it the finished product. Yet I have sat on negotiations with a large factory in New Liskeard, the Hill, Clark and Francis factory, which also owns Hallidays and has an interest in many other woodworking concerns across the nation. Yet this company manufactures doors and windows for Simpson's, Eaton's, for Hallidays, and for many other companies, and will ship the doors and windows from New Liskeard to Toronto, Hamilton and other areas. These other companies in turn send them back to New Liskeard, pay transportation both ways, and yet sell their products for two or three dollars less than they can buy them in the first place from the factory. This is not a transportation cost. It has nothing whatsoever to do with transportation. This is just another bugaboo used by industry often reluctant to look at the needs of the people and finding this as another reason to give for centralization of industry, in spite of the many problems which centralization has had.

We do not want to be unfair to the urban centres of Canada. We are happy that they have developed as they have. But the representatives from these areas will agree that some of the problems they now face in their urban development, or in the renewal of their urban development, will be at the expense of all Canada. And we are going to be happy in developing them. But in return for that, I believe they have an obligation to help those not capable of helping themselves at the present time. It is not possible for the people in my area to help themselves, because the money in the hands of any small entrepreneur who would do the developing is not sufficient for the type of industry which will be self-reliant and will be carried in the northern areas. It is true that there will be some small industry, but what we need is fairly large industry to solve the problems which we have. I ask this not only for my area; I ask it also for the thousands and thousands of small towns and communities across Canada. For example, I think of those towns in western Canada which even now find their only claim to fame is a rural elevator. And the signpost on which they have their name, indicating that they are a rural station, is not disappearing. Why can we not provide those small communities with industry to maintain them and to see them grow rather than disappear? We should be proud of the heritage our forefathers in the west and in the outside areas of rural Canada left to us, and rather than destroy it we should try to build it up.

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

Mr. Laing: Mr. Chairman, I welcome this opportunity to say a few words on this bill. I note with some satisfaction that it is taken in the name of the Minister of Finance. I want to say at once that as far as I am concerned, and I think as far as most of the people on this side are concerned, I am of the opinion that it could not be better taken, both from the viewpoint of the minister's goodwill in doing something worth while for the country, and probably also from the viewpoint of his ability to do so. But I am going

to suggest, Mr. Chairman, that the bill as written certainly does not warrant the hyperbole of praise given it by the minister when he spoke at the introduction stage. No doubt it will be subjected to some amendments, which I hope the minister will receive, in order to give it the ability to produce something for the Canadian people. Because as the bill stands, this is nothing more than the setting up of a permanent advisory board to the government. It says that.

The question I want to put to the minister is this. Does he not have at the present time in the various departments of the government that type of advice and information constantly at hand? We are in favour of planning, because we have seen in other nations of the world the results of planning since the end of the war. While we note with tremendous interest the great progress which has been made in those countries, such as the European countries and in Japan, I am rather of the opinion that most of it has been the result of invention being forced out of necessity. They were in grave difficulties and have now come back at a tremendous rate.

Our situation in Canada is not like the situations of those countries. To apply the principle of planning in this country on the basis they have applied it in western Europe and in Japan would, I think, be a most difficult matter indeed. I think the minister is aware of that. But certainly the bill as it stands will give him nothing more than a group of advisers, and I think that there are already a great number of advisers in various departments who can supply all this information.

I am going to make special reference to the particular situation in which Canada finds itself in respect to world trade. I noticed with some interest that a portion of the bill had some meat in it. I refer to the duties and the powers for which it provides. I want to tell the minister that far too much of the bill is given over to the provision of the people who will be on the board. Also I notice that only the chairman is to be paid, and that is the intention. However, the duties and powers are very interesting. Clause 9 of the bill says:

> It shall be the duty of the board to furnish to the minister all such advice and information as will best assist the government of Canada in furthering a high and sustainable rate of economic growth in Canada, the strengthening of Canada's international financial and trade position—

and this interests me very much—

> —and the achievement of the highest possible levels of efficient production—

and so on.

The Deputy Chairman: Order. It being five o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Progress reported.

Mr. Speaker: It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, page 24, namely notices of motion.

(Translation):

NATIONAL HEALTH

ASSISTANCE TO EPILEPTICS

Mr. J. P. Deschatelets (Maisonneuve-Rosemont) moved:

> That, in the opinion of this house, the government should give consideration to the advisability of introducing legislation to provide assistance to epileptics:
>
> 1. by requiring the federal civil service and industry at large to hire a fixed percentage of employable epileptics, as is done in the United Kingdom and elsewhere;
>
> 2. by promoting with the provinces admission of epileptic children in regular schools on the same basis as any other children;
>
> 3. by increasing the research work on epilepsy, and by contributing with the provinces to the erection of treatment centres (Foyer Dieppe) for male and female sick persons;
>
> 4. by improving the conditions under which epileptics live, through a more active public campaign.

He said: Mr. Speaker, two years ago, when the estimates of the Department of National Health and Welfare were under consideration, I had the opportunity to submit to the house the very special problem of epileptics. Last year, I had put on the order paper a notice of motion, but the early dissolution of parliament did not allow us to consider it. Tonight I am very happy to submit to this house this question which I feel is most important and I do hope that I shall be able to go over the subject rather briefly so as to allow members of the other parties to state their views on the matter.

First of all, what is epilepsy? It is a disease much better described maybe by its negative effects than its positive effects. Generally, epilepsy is not hereditary, nor contagious. It does not make one sick or unable to work nor does it make one mentally deficient; therefore, an epileptic is not less intelligent than any other individual.

Epilepsy can be described as a disorder of the nervous system, a very complex illness with the brain as its vital center. It can exist as *le petit mal* or as *le grand mal.* Usually, *le petit mal* is the phase of the illness in childhood or youth.

And today, the question is asked? How many epileptics are there in Canada? We have no

statistics available, but according to the criteria usually accepted in the principal countries of the world which actively contend with that disease, it can be said that one individual out of 200 suffers from epilepsy. In Canada, it is generally recognized that about 100,000 persons are affected by epilepsy at various degrees. That is why it is so important.

Mr. Speaker, I said a while ago that statistics are incomplete or non-existent. As a matter of fact, epileptic cases are usually concealed by the parents, and they are not to be blamed entirely because they realize much more than others that in our Canadian society—and I would say that the same situation applies in almost every country of the world—the epileptic is discriminated against at school and within the community.

And yet, following the advancement of modern science, when the epileptic gets all the required medical and surgical care, statistics clearly establish that about 50 per cent are completely cured, that there is a marked reduction of attacks in some 30 per cent of cases and that there are around 20 per cent of cases for which medicine can do nothing yet.

Having said this, one can wonder what the situation is for the thousands of epileptics in Canada and what we actually do to help them. If we answer frankly, we must admit, I think, that we do nothing, or almost nothing, in the face of a tragedy that takes place under our very eyes.

Mr. Speaker, I want to try and describe this unfortunate situation and suggest, in the light of what is done at present in the world, some means of helping those sick people.

First of all, at school: as soon as the illness is diagnosed, the child is immediately asked to leave school. That is the situation in Quebec, as well as in all the other provinces, I believe. If there are honourable exceptions, I would very much like to know about them. It is obvious that if it is known beforehand that he is an epileptic, the child is not admitted to school. Therefore, unless his parents can afford to hire a private tutor, the epileptic child is, first of all, illiterate. He is kept away from school, from children his own age with whom he could play. Thus he grows up isolated from other people and quickly develops all the complexes that make his illness worse.

When the child becomes an adult, he has no future except unemployment, because the same discrimination exists with regard to the adult epileptic. And yet, nothing prevents the epileptic from getting married because, usually, the illness is not hereditary, but through neglect and lack of understanding, he is not permitted like other citizens, to take an active part in society. Those are, briefly, facts which can be seen every day, if one stops and thinks about the epileptic's problem.

In Canada, at present, there are only very few observation, research and guidance centres for epileptics. I know that the Dieppe Foyer performs an enormous task with meagre means. However, there again, only men are admitted and only a very small number of patients can take advantage of those facilities.

If we look at the other countries of the world, we find a large scale offensive against the effects of that disease.

In France, the St. Paul medical centre in Marseilles, the most modern in Europe, has developed a research bureau with substantial grants from the French government. Famous doctors from the whole world are fighting a real international fight against that disease. Examination of young patients allows for a well co-ordinated guidance and, where a complete cure is not obtained, the child at least, is guided in such a way that he does not become a liability to society.

In the United States, the epileptic foundation in Washington is leading the fight on the American national level. Research work is concentrated there, and its results are made known to the American public through tracts and booklets. This informative publicity is directed toward parents, school teachers and the public at large.

In Great Britain, a specific act of which I have here a copy, was passed in 1954, under the title "Disabled Persons Employment Act". In addition to research work being done in Great Britain, this legislation provides that epileptics may be employed by the British government and industry. It provides that, in proportion to the number of employees of a particular industry or in the civil service, the employer must, under penalty of offence and fine, employ epileptics for the types of jobs they can properly discharge.

In Canada, I believe the time has come to become conscious of this problem and to take immediate action in the interest of epileptics.

I would remind you that we now have nearly 100,000 persons suffering from this illness in Canada. Only in extreme cases can they obtain a disability pension which

is not conducive to a solution of their problem. I am of the opinion that we should ponder the problem a little while in order to consider immediate measures.

What can we do? What action could be taken at once to allay and improve the conditions of epilepsy sufferers?

First of all, I shall deal with the most important problem, that of education and training of children. At the earliest opportunity, we should, in co-operation with the provinces, find means to educate epileptic children. Let us start by providing those children with the education which will permit them to take their place in our society.

In other countries, figures show eloquently that epileptics cling to education as if it were their sheet-anchor, and that everywhere they are making very remarkable progress.

Second, we should do something at once for epileptic adults. Today these people are without hope, while it seems that we do not care about them. I think we should do what was done in Great Britain, that is we should pass legislation providing for the employment of a certain amount of epileptics in the civil service and in private industry.

I believe that if a campaign were launched along those lines—and I imagine that the Minister of National Health and Welfare (Mr. Monteith) is quite often called upon to address certain clubs, such as the Rotary or others—that if the example came from higher up, all our businessmen and industrialists, who are generally very generous, were they placed before that problem, would react by doing their part to place some epileptics in certain types of jobs.

I therefore suggest two main lines of action: first of all, education for the young; and employment, in all cases where it is possible, both in private industry and in the civil service.

If we take such action, we shall have done much, we shall have demonstrated, above all, to that great number of sick citizens that we are beginning to look after them; we shall have done much also to eliminate that misunderstanding which unfortunately is too often prevalent among the public.

But there would be much to do. We would need in every province a medical research center where we could give vocational guidance to young epileptics and re-education to adults. I think the national health department could send observers on the spot to Washington, France and Great Britain where they could get acquainted with the most modern methods of fighting that disease and its effects. The department should also inform the public about that disease and about what every individual can do to lessen its effects, by using pamphlets and booklets to appeal to the sympathy of our educators and of our people.

When it comes to epilepsy, it is indicated in some reports that medicine, in spite of all scientific developments, cannot do everything, and that lasting improvement in the state of health of epileptics largely depends on their living conditions at home, at school and within society.

I hope this debate will have contributed, at least in part, to the desired result.

(Text):

Mrs. Jean Casselman (Grenville-Dundas): Mr. Speaker, may I commend the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) for his very obvious interest in the problem of epilepsy, an interest which we all very definitely share with him. It is a problem that arouses the deepest sympathy of every member in this house and, I am sure, every Canadian. We would all like to do everything possible for the unfortunate sufferers from this unhappy problem, and to see that they are given every opportunity, as he has pointed out, of receiving all possible educational assistance as well as medical assistance.

There is, of course, this same concern over disabilities of all different types. The problem, as the hon. member himself has mentioned, is that many of the things he wishes to achieve are difficult to initiate at the federal level. The house knows that many of the matters which he introduces in this motion have traditionally rested in provincial hands.

In so far as labour legislation is concerned, the first item in the hon. member's motion, my own view is very much against the rigidity of the compulsory employment of certain numbers of epileptics. It seems to me that the promotion of sympathy and understanding for all disabilities, combined with increased attention to their education, is a much sounder and stronger approach than the technique of compulsion, which has major disadvantages. First, there is always a certain amount of resentment when anything is compulsory. This would be particularly unfortunate in the very area where the intention is quite otherwise, in fact the very real need is otherwise. Second, if there is a compulsory number, it discourages sympathetic efforts and attitudes towards the greatest possible co-operation with handicapped persons in the very particular places where they find the very best chances for adjustment.

In many countries it is thought that the introduction of a quota system can tend to downgrade the jobs made available to disabled persons, and that employers tend to provide the most marginal jobs just to fulfil the quota. It is thought in some countries that the full abilities of disabled persons would not be recognized by employers under a quota system, and further that the disabled person himself would have some feeling that he might not have been hired because of his own particular ability. A classic example of the quota system and the supplementary of designated employment is in operation in Great Britain. Under the disabled persons act, every employer who has 20 or more workers is required to employ a quota, at present 3 per cent, of the registered disabled persons, and the act also provides a register.

For the most part employers have kept to this obligation and there have been very few cases where actual proceedings in law had to be taken. However, the committee of inquiry on the rehabilitation, training and settlement of disabled persons, reporting in 1956 noted that although they received no evidence that the quota system should be abolished they had been made aware that in the Scandinavian countries the quota system was not favoured, on the ground that in time of full employment it was unnecessary and in a period of depression it was unenforceable. Furthermore the committee went on to note that from the evidence received although the quota system has been of some assistance to settlement officers in placement work, its main value has not been here but rather to the value given publicity among employers. The committee recommended therefore that the quota system should not be abolished in Great Britain, but because of the educational importance of it it is clearly the British view that this placement by expert officers is dependent on the goodwill and co-operation of the employer.

In all countries the trend seems to be away from compulsory provisions that can cause ill feeling and perhaps even result in the placement of the disabled in jobs that might actually prove dangerous to them. The emphasis must be on filling needs on an individual basis with particular regard to the skills and physical capabilities of the persons concerned.

Considerable strides are already being made and I do take exception to the mover of the motion when he suggests that very little attention has been given to the problem of epilepsy. I think I can show him that considerable attention has been given to the problem. Strides have been taken in the area of improving skills, particularly through an act to provide for the vocational rehabilitation of disabled persons, recently passed under the auspices of the Minister of Labour. Under the terms of this act, in co-operation with the provinces the federal government is making it financially easier to assess the condition of a disabled person, find out the best means by which he can be guided to suitable employment and provide medical treatment or any necessary equipment. Costs are shared equally by the two senior levels of government and the program should have far reaching implications.

There are many tasks which can be performed well by disabled persons and I know the government is anxious to foster recognition of this, both inside the civil service and in industry generally. It seems to me, however, that there is still a great deal of public education to be done in this regard and there is still considerable reticence on the part of the handicapped themselves in admitting their problems and disabilities. This situation of course will be somewhat eased and improved as public education increases and sympathy thereby increases.

Much has been done and still can be done through large companies which have industrial physicians and nurses. There are, however, as we know, many small companies which do not have and may not be in a position to contemplate medical services of any kind in the near future. In this case general public acceptance and understanding of disabilities, including epilepsy, will gradually open increased employment possibilities. In this respect the Canadian epilepsy foundation, with its headquarters in Toronto, is doing admirable work, and such groups deserve every possible encouragement and support.

Within the civil service disabled persons are employed wherever their capabilities fit some particular position, and I believe that the federal government is giving a very strong lead in this respect. To require the employment of a fixed percentage would create many difficulties in terms of decisions as to who could or could not be hired, and where they could or could not be placed, and it seems to me this is very nearly unworkable in this country.

The hon. member speaks of the possibility of increasing the research work on epilepsy but here, as elsewhere, we run into the problem of provincial responsibility. The national health grants program was established to help provinces expand their own research programs and related matters, but decisions as to where the emphasis should be placed are made in the provincial capitals.

Since this government came to office it has increased the available amount of hospital

construction grants by 55 per cent, and other national health grants by 20.5 per cent, with a view to stimulating progress in all health fields. The Foyer Dieppe, which the hon. member mentions, has benefited to a considerable degree, in fact to the extent of over a quarter of a million dollars. Since 1957 it has received this total from federal funds, and indeed the federal contribution to the problem of epilepsy throughout the whole country has been $1,126,000. This has assisted epileptics throughout the whole of Canada.

Since the mover of the motion seems to feel so strongly that so little has been done, I might just break this total down. Foyer Dieppe has received in federal assistance, already expended or approved, the amount of $292,323; Hotel Dieu du Sacre-Coeur has received expended or approved federal assistance in the amount of $596,426; and the Montreal Neurological Institute $47,256.

In Ontario we have the outstanding epilepsy centre in Woodstock which has received federal assistance expended or approved in the amount of $149,452. In Saskatchewan we have the University hospital in Saskatoon which has received $8,713, and in British Columbia the British Columbia epilepsy society in Vancouver has received $32,406 for the employment of personnel for the operation of an epilepsy centre.

In 1953 the British government appointed a committee of inquiry on the rehabilitation, training and resettlement of disabled persons, and in 1956 they brought forward a very interesting report. On page 74 of this report there is particular mention of epileptics and it is interesting to note this statement:

> The most important finding of the report is that recent advances in medical knowledge offer much greater hope that epilepsy can be controlled, particularly if they can be made generally and readily available through an organized pattern of specialist units... This means that it should be easier in the future than in the past for an increased proportion of epileptics to live a normal life in the community, whether as schoolchildren receiving education in ordinary schools or as workers taking a normal place in open industry. Clearly this should be the objective. There must, however, be some proportion however small, who will need special provision whether for short or long periods, in the same way as other disabled persons—for example, special schools, rehabilitation units, sheltered employment, residential hostels, etc. Their needs require also the same close co-operation between the different authorities responsible for the different services which the committee has emphasized elsewhere.

The Canadian government's attitude at the present time follows this recommendation very closely, as can be seen from the considerable amounts expended or authorized already, in the medical services towards helping epileptics in their physical improvement and development, and also in different types of rehabilitation training and educational assistance for those who are definitely handicapped.

It is my very strong feeling that there are definite dangers in seeking to establish legislative authority for one group of handicapped persons, with the very possible exclusion or neglect of others, however unintentional this may be. Circumstances change from year to year, and in general there is more to be said for an approach where the provinces are free to gear their programs to the needs of their own citizens and afterwards approach the federal authorities for the necessary aid.

Rehabilitation matters are of great significance in the whole general field of social welfare. This year we have seen legislative authority provided to establish a national council of welfare to advise the government on all aspects of the welfare situation. I would hope that it will turn its attention to this area of epilepsy and all disabled persons, and make suggestions as to how and where the government's present activities can be improved. They will thereby be adding to the already valuable advice we receive from the national council of welfare, and have been receiving for many years.

This morning I had the honour to welcome on behalf of the minister the federal-provincial conference of public health nurses. This is their second conference, the first being held in February of 1961. Representatives from the provinces are gathered here in Ottawa in a very impressive group. They are experienced in and deeply concerned with this important public service. This is another avenue, it seems to me, through which we will have increasing opportunities for assisting in all health problems, including recognition of the different types of epilepsy and advice as to how and where the best treatment and rehabilitation can be obtained for them. This growth of co-operation between different branches of government in any field is encouraging, and it is most particularly encouraging in the field of public health. I believe we can expect from this conference and subsequent conferences on public health nursing an increased understanding, an increased ambition toward definite, co-operative aims which will lead to very improved methods of dealing with this problem which the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) has rightly brought forward, and it will also include very serious consideration of the problems of all disabled Canadian people.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I rise at this time to acknowledge our indebtedness to the hon. member for

Maisonneuve-Rosemont (Mr. Deschatelets) for bringing this matter to the attention of the house. As we consider the notice of motion that is on the order paper we note that there are some particular clauses regarding which we might raise some objection and some question, but I think all of us recognize the intent of this motion and feel that the hon. member has, as I have said, made a valuable contribution in bringing it to the attention of the house.

It seems to me that in the consideration of a measure such as this there are a great many other issues that might enter into it. The parliamentary secretary to the Minister of National Health and Welfare has referred to some of the problems involved. In her remarks the hon. lady has pointed out the possibility of discrimination—and I use that word advisedly—if we endeavour to make legislation apply to only certain classifications of our citizens. I would prefer to consider this in its broader aspect, not only stressing the importance of consideration for those who are suffering from this particular handicap but those who are suffering from other handicaps or disabilities which make it difficult for them to fit into the picture of employment across the country.

I believe some categories of our citizens are subjected to some form of discrimination in their search for profitable employment. I think that often this discrimination results from ignorance, but there are times when it is the result of economic considerations. Those engaged in industry hesitate to employ people who are suffering from various types of handicaps or disabilities because they feel there would be an interruption in service on the part of the employees which could result in a loss of efficiency as far as their operations are concerned. I think that research has proven this fear groundless. In fact, it has often been established that those who are handicapped in some particular way more than offset that difficulty by their devotion and diligence to the tasks assigned to them, which qualities may often be lacking in those who are not handicapped.

Therefore I feel that this word of exhortation might go out not only to governments but also to private industry, not to discriminate against those who may be handicapped in this or other ways, but rather give them an opportunity to engage in profitable and productive employment to the very highest degree of their ability and qualifications. I agree with the suggestions made by the parliamentary secretary to the minister in stating that it would be very difficult to set a specific percentage to be employed by the civil service, and I would once again emphasize the fact that rather than place it in that particular context we would suggest that no discrimination be practised when it comes to a matter of the employment of employable epileptics and those who are suffering from other types of disability.

The question of the education of epileptic children is a very important consideration. Whether or not the suggestion made in clause 2 would be applicable in all circumstances is perhaps open to question. I would not be in a position to pass judgment on that particularly, except to say that I believe consideration would have to be given to individual cases and to the degree of affliction in this respect. Reference has been made to the matter of research and treatment centres. It would seem to me that this is a field into which the federal government could move in a very constructive manner. Once again the parliamentary secretary has indicated the contributions which have been made in this respect. However, I would suggest, Mr. Speaker, that as far as the provision of these facilities is concerned—that is, treatment centres and so on—our suggestion relative to the use of a municipal development bank would be very useful. Through the provision of social capital through the Bank of Canada we could make a greater amount of money available for the erection of these institutions and for the facilities which are required for the effective treatment of these people.

As I have said, Mr. Speaker, I rose only to indicate support of the principle or motive incorporated in this particular measure, but I suggest there should be—as there is, I believe—a growing awareness on the part of society to bear its responsibility in assisting those who are handicapped in any way, giving them the fullest opportunity to co-operate and participate in activities and make the highest contribution possible under the circumstances. We are, as I have said, very happy to give support to the motive and principle contained in this measure.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, we of course support the principle stated in this motion. I have not had very much experience with epileptics, although as a teacher I can tell hon. members that a great many of them do attend the ordinary schools. Of course, it depends upon the individual and the degree of the infirmity, but many of them do attend schools. The teachers are simply notified that this person is an epileptic and in most cases there is no particular problem. The affected students fit in with the school pattern well provided they are not severe cases.

I have had experience with another type of handicapped. Of course, there are mental as well as physical handicaps, and for some years I was associated with the affairs of a

home for retarded children in my own constituency of Burnaby. The type of handicap is different, but the problem of obtaining employment is the same. Another factor which must be considered is the considerable burden which falls on the parents. In the last few years the associations for retarded children in all the provinces have done a great job in making governments at various levels aware of the needs of retarded children. In my own province, governments, both municipal and provincial, have responded to these needs, after considerable pressure, by providing places in local schools or by providing special schools for these children. In my own province, after a number of years of endeavour, we do now have most of the retarded children attending schools at public expense.

The associations have now moved on and are trying to do something for adults and teenagers. Sheltered workshops have been set up which these people can attend and at which they can receive the necessary technical training. After a probationary period, they receive pay. They are not doing make-work jobs but are carrying out useful tasks. When companies want particular jobs done, the sheltered workshops do them and, in turn, pay the retarded adults who are working there.

It has always seemed unfortunate to me that there has to be such a vigorous program of public education before we make a move in these matters. The pattern seems to be the same everywhere. The people affected, in many cases the parents of handicapped children, have to form an association and carry out a program of public education before they can get governments to act. I would feel better if this country and those in a position of responsibility would recognize that these problems exist and do something about them before they are forced to take action. We know very well what our health and social needs are. We do not need to be told, in many cases.

There is one other aspect of this subject to which I should like to refer. I do not think we can divorce the difficulty which handicapped adults find in obtaining employment from the general economic situation. It is difficult enough for these people to get employment at the best of times, but when there are a large number of unemployed in this country it is still more difficult for them. I hope the day will come in Canada when we have a period of full employment and even a labour shortage, because I think it will be much better for these people at that time.

[Mr. Prittie.]

We cannot get away from the fact that it is very hard indeed for them to get employment.

The parliamentary secretary—and I congratulate her on having certainly done her homework on this topic—has spoken against the idea put forward in subparagraph (1) of this resolution, that some compulsion should be applied regarding the employment of epileptics. Unfortunately, I think this would be necessary in many cases because if there were not some compulsion very few would be hired. The hon. lady did answer a number of questions on this topic and I should be pleased if before this debate is over she would answer one other question. She said that the civil service, or the government, was employing a certain number of epileptics. I should like to know, if possible, how many are at present in employment. If this question cannot be answered today, perhaps she will answer it at a later time. However, I am glad that something is being done in this connection. The hon. lady also gave us information concerning the amounts granted to the various societies in the provinces for work in this field. I noted that $32,406 was mentioned in connection with the British Columbia association. I must say in this connection that it does not seem like a very large amount. Perhaps I might have some information on this subject as well: is this a case where more money would not help solve the problem, or is it all the money that is available as a grant at this time? The parliamentary secretary has pointed out that certain things have been done, and we are very glad of that. Nevertheless, the motion which has been put forward today does serve a useful purpose. It reminds us all of this subject, and although the department may be doing something there is certainly no reason for self satisfaction. I hope it will serve as a reminder, to bring this matter to the fore and keep it in the mind of the department.

Mrs. Casselman: Mr. Speaker—

Mr. Speaker: The hon. lady having sat down and concluded her speech is precluded from taking the floor again even to answer a question.

Mr. Pickersgill: I am sure that in these exceptional circumstances there would be unanimous consent.

Mr. Speaker: Well, there is some time left to the hon. lady. If she wishes to answer and the house is prepared to give her the time there will be no objection.

Some hon. Members: Agreed.

Mrs. Casselman: I am embarrassed to receive so much courtesy. I only wish to say

that I do not have the answer to that question at the moment but I shall be glad to get it immediately.

Mr. S. J. Enns (Portage-Neepawa): As one who is vitally interested in the broad scheme of rehabilitation I want to send a salute to the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) for bringing to public attention this frightening question of the problem of the epileptic. It is not confined, of course, to the epileptic alone, as has been pointed out by the hon. member who has just spoken; it is a problem which faces disabled persons generally. Somehow, however, the case of the epileptic is the most frightening because it is a shocking experience for people who are not in daily contact with epileptics to witness an epileptic seizure. It seems to me there is a terrific amount of prejudice and misunderstanding about this disease, as previous speakers have said. I myself, would question the advisability of singling out this one disability for special attention and for special legislation. However, the subject well merits discussion and deserves public attention to be focused on it. Modern society still seems to cherish some medieval ideas about this whole subject of epilepsy. The epileptic appears to suffer a double handicap; it is not only the illness itself but the prejudice and misconception surrounding it which he has to overcome before he stands a chance in the labour market. We are, of course, speaking of the employable epileptic.

I have wondered what could be done about rehabilitating other disabled persons and I was interested to hear what the hon. member for Maisonneuve-Rosemont told us about legislation in the United Kingdom parliament. I think he described it as the disabled persons employment act. I was, therefore, somewhat surprised to hear him centre his motion on the epileptic. I think he would have been better advised to have included other disabled persons as well. I think it is not feasible to guarantee employment by legislation alone. In fact, I wonder sometimes just how useful legislation can be in achieving an object which we would all agree to be desirable. Largely it is this question of public attitude which surrounds any disability. I think the hon. member has referred to the work done by the association of retarded children, just as other work has been done for people who have other afflictions. We need a public education program which will induce the public mind to consider people who are less than completely or abnormally physically endowed for various enterprises in the field of employment, education, research and so forth.

One of the difficulties about the epileptic is, I suppose, the misconception that he is often less intelligent. I think that research would certainly bear out the fact that this is no more so than in any group of population which is physically normal. There is always a spread of intelligence. Largely the lack of knowledge in the epileptic is due to the fact that he has not the opportunities of education because in some areas and in some instances he has not been accepted in the schools among normal children. As far as the section of this motion which refers to including epileptic children in ordinary schools is concerned, comments have been made about this, but I would certainly question the advisability of doing this *in toto*. I believe that certain epileptic children would be better helped if they were at least in special classrooms where they would have the treatment they need if and when they were subject to seizures, and where they would not be perhaps subject to ridicule or much excitement by other children, were they unfortunate enough to have a seizure. Therefore I cannot quite accept the suggestion of the hon. member in the second part of his motion that measures should be introduced to admit children into ordinary schools. I am sure that on further elucidation he would say he meant that only in certain cases would this be so. The question of legislation is still only a secondary solution. I think the broadest improvement which could benefit any disabled person is to have a greater public awareness of the needs of disabled people.

When we speak of having concern for the individual rights of people—I think this is a phrase which we have heard in more recent times—we must not forget the rights of disabled people as well. Certainly these rights are denied if they have not been given equal opportunities of education, of employment, or even given accepted places in society as healthy persons with whom to associate. Sometimes they are so much isolated that they fear to be part of the normal community even though they could well find a useful place in the community. So that really more necessary, I suggest, than education would be research and vocational training. These facilities would require, of course, substantial grants from the government, and I think they would be forthcoming if they were submitted to the appropriate legislature, which I presume in most cases would be the provincial governments.

I also think there has to be a wide program of public education which would make the average person more aware of just how much these people can really contribute to our community. I think it is a mistake if we let people

just live off assistance because they are disabled. This is certainly not the answer. There is in all labour some dignity, and anyone who is working wants to know that he is doing something worth while, and that he is earning his keep. Therefore, even if it needs to be a sheltered workshop, or a specialized centre for epileptics or other disabled persons, he needs to have some satisfaction in his work.

I feel that these are areas for private agencies who have already done so much to meet various human needs in our communities and to enable them better to develop. Because private agencies have a capacity for community involvement which is much better and greater, and are much more capable than any act of parliament. That is because they are interested in epileptics and form a group, a chapter or agency to try and aid the needy epileptics. In that way you are much closer to the problem and much more vitally and personally interested; therefore, the results are much more far reaching. Of course, aid is required from government finances. However, the initiating program I suggest would be best advanced by the widening of the scope of private agencies which already exist in this field.

It is to be hoped that all levels of the community and all levels of industry will examine and re-examine their employment practices where they can, and in that manner will afford to disabled persons, including epileptics, employment possibilities. This is necessary in order that the achievement of an elemental human right is attained—that is, the right to live and work in a normal way. I feel that the hon. member has done a great service to the epileptic by introducing this resolution, and the very fact that there has been this spirited and interesting discussion will be of benefit to all these disabled persons.

(Translation):

Mr. Speaker: I am very sorry but the hon. member for Chambly-Rouville (Mr. Pilon) had given me no indication of his wish to participate in this debate. That is why I did not recognize him sooner.

The time appointed for the consideration of private members' bills being expired, the house will revert to the business which was interrupted at five o'clock.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration in committee of Bill C-87, to provide for the establishment of a national economic development board—Mr. Nowlan—Mr. Paul in the chair.

On clause 1—*Short title.*

At six o'clock the committee took recess.

AFTER RECESS

(Text):

The committee resumed at 8 p.m.

Mr. Laing: Mr. Chairman, at five o'clock I had completed my congratulations to the minister who is guiding this bill through the house, had made some comment upon the general condition of sterility in the bill itself and was beginning to pay some attention to the fact that one section of the bill deals with the very important consideration of paying more attention to Canada's balance of trade and trading position. It is with that particular aspect of the bill, which is designed to provide for the establishment of a national economic development board, that I want to say a few words to the committee tonight.

Last week a very important speech was made by a very important man. I refer to the speech made by Mr. R. M. Fowler which has now been published and which he has titled, "Wanted, A Trade Policy". It might well be argued that Mr. Fowler represents a definite segment of the Canadian economy but I think every member of the house will agree that he is a very well informed Canadian and a very able businessman, that his views should be listened to, and that the government of the day should profit therefrom. Inferentially he suggests that we do not have a trade policy, and he wants a trade policy. He wants a policy directed toward a definite objective for Canada today and in the future.

I think we might well profit from a consideration of the historic position of Canada in trade. In the early days of Canada and government in Canada I think there must have been a widely held opinion in this country that we could make some permanent long time arrangement with the country to the south. When that failed there emerged in its place the historic national policy of Canada and the name of Sir John A. Macdonald. Quite obviously the concept at that time was that the central provinces would manufacture goods for Canada which would be transported on transcontinental railways to areas whose raw materials would be sold, and the proceeds used to buy the manufactured products of central Canada. That policy served us in its day and we went on to other things.

In the period between the two great wars we built up in Canada the historic so-called

triangle of trade. We sold great quantities of goods to the United Kingdom and became very interested in commonwealth trade, particularly the advantages given us under commonwealth agreements. We took pounds sterling which were transferable very easily into our currency to enable us to buy tremendous quantities of manufactured goods from the United States. If you study the period between the wars you will find that is the trading history of Canada in that particular period.

During the period of the second world war tremendous demands were made upon Canada in the area of things which we were able to provide and manufacture and as a result of particularly good management we came for the first time to the point where I think we could consider ourselves at least in part an industrial nation. Now we are confronted with a new set of circumstances in the world where great trading blocs are rising and where agreements are being made not between one nation and another but between blocs of nations, and I think it is time now for us to inspect again the basic, fundamental problems that we have within our own country.

I come from a province which at the present time is selling to the United States $50 million worth of goods per month or about $600 million a year. About $125 million is represented by sales of energy in the form of oil and gas. We also sell $204 million worth of lumber per year. These articles are basically raw materials which British Columbians are finding command basement bargain prices in world trade, the lowest possible prices at which any goods are sold. At the same time that we are selling $50 million worth of goods per month to the United States, according to figures which are the most accurate I could obtain from our provincial department, though I would not say they are absolutely accurate, our trade with that old historic province of New Brunswick only amounts to about three quarters of a million dollars per year. When we look askance and are worried about great trading blocs and the common market, I think we must also admit that within our own country we have failed dismally to create a common market in Canada. This, of course, is a regional matter. I know that the minister is aware of the situation because I know I am aware of it.

I want to draw his attention to the fact that from Prince George in the central interior of our province we ship about $80 million to $100 million worth of lumber per year. Historically this lumber has gone to the head of the lakes and from there largely to United States markets around Buffalo. At the present time the shippers of this lumber are faced with the Damoclean sword of a threatened 17 per cent increase in freight rates, when the lumber is already bearing an impost of $34 per thousand to reach Buffalo. I think the minister will agree with me that if the railways were suddenly granted the 17 per cent to which they claim they are entitled, and this amount was added to the cost, it would be extremely doubtful that the lumber industry there could survive, and at this time I know of no other market for that particular grade of lumber.

These are conditions within this immense industry which have arisen out of our history, out of geography, and which we have to face. I think we should face them in a spirit, not of what we hope Canada might be, not what we see in other countries, but considering the development of Canada and in the love of Canada as she is and not what we might hope she is. These are difficulties with which we are confronted and they require, I would suggest to you, Mr. Chairman, a far different attitude on the part of our federal government than we have seen in recent months and in recent years. It gets back to this, that in these matters of trade policy which Mr. Fowler is suggesting, we must seek to adopt a policy for our own country which is intelligent, honest, honourable and promises respect in the various parts of this country.

I notice that in Ontario they have a man named Macaulay, who is making certain suggestions. It may well be that for the short term period they may be of advantage to the people of Ontario. However, I doubt very much if that sort of thing is going to be of long term advantage to the people of Ontario. I am going to suggest to the minister, and I am quite sure he would agree with me, that the same condition pertains in the old, historic provinces down by the sea. This sort of policy which is implicit in what Mr. Macaulay is suggesting is not of any value to them and it is not of value to us in western Canada. As a matter of fact, I know of no one in western Canada who needs a hippopotamus, and I do not know of anyone at the moment who wants one.

I think we need to adopt a policy based upon the promise of support from the most people in Canada. We know that in western Canada there are some industries who would find it to their advantage to have complete free trade tomorrow morning. I am going to say very frankly to you that those industries in western Canada know that they cannot have free trade tomorrow morning. At the same time, they cannot stand the back-door preferences that have been brought in by the government in recent months. I am not going into the question of whether they were

legal or illegal, but nevertheless there is protectionism being brought in. The minister has from time to time assured us that these protectionisms are for the short term; they are going to be removed.

I have another aspect of trade that I should like to bring forward, about which I am going to make suggestions to the minister later. I think that today we are dependent for the maintenance of the economy of Canada, to the extent of almost 30 per cent, upon our exports. I have found, in the last year for which I have figures, 1961, that of our total exports no less than 54.5 per cent went to the United States. In that same year, of our imports, no less than 67 per cent were brought in from the United States. The second most important trading nation to us is, of course, the mother country. In 1961, we sold, of our total exports, some 15.6 per cent to her and we brought back some 10.7 per cent of our total imports.

I made inquiry, too, about our trade relations that exist between Canada and the signatories of the treaty of Rome, in other words the members of the common market. I found, somewhat to my dismay, that of our total exports to those countries in 1961, only 8.4 per cent went to all the members of the common market. From them, we bought only 6.4 per cent of our total imports. When we add these figures together, both exports and imports, we realize that Canada is a north Atlantic trading nation, without any question. Our past experience having been in that direction, I think we may safely assume that our future is going to lie in that direction, too.

I have a criticism to make of the government at this time because, to the south of us, we have the President of the United States submitting to congress and successfully obtaining therefrom, legislation which was called the trade expansion act of 1962. We, on this side of the house, like to call it the trade liberalization act. This act gives to the president of the United States extraordinary powers to make agreements, not with one nation but with groups of nations such as the common market. Here, it seems to me, is a clear invitation to Canada to improve her position by making available to Canadians the export market containing 300 million people rather than the small market of 18 million people which we have at home. I think the government has been remiss because I am quite certain that this government has not pressed this matter with the President of the United States or with his secretary of commerce.

We go on attempting to purchase from the United States some $460 million to $480 million worth of goods more than we sell to them. I do not believe it should be difficult for our leaders to impress upon the President of the United States and his secretary of commerce that Canada cannot go on interminably borrowing half a billion dollars in cash down there to buy goods from them, when there is this invitation to reduce tariffs. I want to ask this government, to ask the minister, to what extent they have gone to the United States and placed Canada's position before the United States. Have they said to them, certainly, we want to equate our balance, but we want to equate our balance with you not by going on buying imports to the extent of half a billion dollars, but by asking you to reduce your tariffs to the point where we can sell half a billion dollars worth of goods to you. It would seem to me that would be the positive approach and that would be the best way of taking the furrow out of the brow of the Minister of Labour annually in the wintertime when we seem, in Canada, to come to the position where employment is related to the condition of the equinox.

I find that many of the industries in which we have exports are the resources industries largely dealing with materials in their raw state. There is a totally inadequate and unhappy amount of Canadian labour content in those things we are selling. I find that in the automobile manufacturing industry in Canada today there is almost 10 per cent of the value of the automobile that is made up of labour. This, in Canada, is a fairly high percentage. In the case of the fruit and vegetable canning industry, the labour content is 10 per cent in relation to the total value of the manufactured goods. In so far as crude petroleum and natural gas is concerned, Mr. Chairman, do you know that the labour content is only 4 per cent of the total value of the goods sold?

Now, I am not going to disparage the labour that goes into the development aspect of that industry. This represents a tremendous expenditure of money.

Mr. Nowlan: Have you got the figures for minerals?

Mr. Laing: Yes, I am coming to those. As I said, in the case of crude petroleum and natural gas, the labour content is 4 per cent. There is an enormous amount of labour employed and an enormous amount of capital expended in the search for oil. Of course, here we are dealing with the industry once the development has taken place. Then, you merely turn a series of large spigots and that is it.

We come to agricultural implements, and we find that no less than 23 per cent of the sale price of farm implements, that is from

the manufacturer, is labour content. In the case of silver, lead and zinc mining industries, it is 15 per cent. In the case of pulp and paper mills it is 16 per cent. In the veneer and plywood industry 29 per cent of the sales price of the product in the plant is labour content, and here we come to the position of our industries in British Columbia doing business in the United States market. We sold nearly $204 million worth of lumber to the United States but we sold only $137,000 worth of plywood and it would seem to me that this government should take a position with the United States government by suggesting it shoud reduce the tariff on plywood to let Canada sell more plywood in that market.

I also find that in the house building industry the labour content is 34.5 per cent. These are things that make for employment in Canada, and an improvement in the quality of goods we sell abroad would have a very great effect in lessening the problems which the Minister of Labour carries, in particular at this time of the year.

My point in rising to speak in this debate is to suggest to the minister that in his department and the other various departments of government he must have available to him the same kind of intelligent advice as the bill proposes to obtain. As the bill stands it is proposed that we shall have a full time chairman and shall have not less than 14 and not more than 24 members of the board.

I think I can read into the particulars of the bill something of the idea of the wartime dollar-a-year men. I am not going to disparage the work done by the dollar-a-year men but I would remind the minister that their work was done under different conditions, when the country was passing through times of greatest danger and distress. At that time men had inclinations to do something for Canada, and I do not think the same feelings would apply to the same extent in peacetime.

I also gather from the numbers indicated that there is the idea in the minister's mind that representation must be given to the various regions of Canada. I agree entirely with this idea, but I also suggest to the minister that there has been a tremendous amount of writing, some very excellent writing, done in Canada in recent years by Canadian economists. A great variety of books have been written on Canada's economic position and I would remind the minister of some of them which, no doubt, have come to his attention.

There is the series of lectures given by Mr. Vincent Chapin, assistant director of the international trade relations branch of the Department of Trade and Commerce entitled "The Significance of Trade Obligations For Canada", a very fine set of three lectures. There is R. V. Anderson's "The Future of Canada's Export Trade"; the "U.N. Commission on International Commodity Trade"; Mr. H. E. English's book, "Canada and the New International Economy"; R. B. McPherson's book, "A re-appraisal of Canadian Trade Policies"; Gilbert Jackson's "Post-war World Trade"; and the various GATT publications dealing with Canadian trade in agricultural products. All of these are known to the minister and I ask him does he not now possess adequate civil servants capable of doing all the things suggested in this bill?

We are not opposed to the bill but I suggest that if the minister is to make it worth while he will have to add some new ideas to it in order to put some life in it. If it were possible to get a group of full time Canadian economists to serve on this advisory board, constantly digging about Canada and finding out the relationship of one part of Canada with all other parts, and the ability of one part of Canada to take an active part in a certain export field, then that is another thing, but they would have to be full time economists rather than the 24 part time men who will serve on this board.

I am certain the minister will agree that if we leave the bill unamended it provides very little but advice which he would have to examine anyway. I am quite certain there are economists employed by industries in Canada who would be quite prepared to give him their views. These views would be regional views, and probably views related to their own types of industry; but he proposes to set up something less efficient than if he were to rely on the very high grade economists now in the civil service and employed in Canada's various industries.

Mr. Walker: Mr. Chairman, I think I can do no better in this debate tonight than to have my first remarks concerned with a leading editorial which appeared in the *Globe and Mail* on December 8 last, and in quoting it I would like to point out I shall quote every word that is in it. Some of the words and sentences are to some extent critical of my own party, but we on this side of the house do not leave out quotations which happen to be critical of us.

Mr. Ricard: That is a low insinuation; it belongs to you.

Mr. Walker: The quotation is:

> Now that it is decided that parliament will not resume after Christmas until January 21, the belief in Ottawa is that the new budget will not come down until February at the earliest. With the precarious state of the government in the Commons, it appears possible that we shall be precipitated

into a new election before any attempt is made to tackle the root causes of our economic difficulties.

In all these circumstances it is becoming increasingly difficult to escape the impression that the government is deliberately holding back on important and controversial legislation for fear of suffering a defeat in the Commons. As this newspaper has suggested before, such tactics would be a grave mistake.

The Chairman: Order. I am sorry to interrupt the hon. member but, as he pointed out to the committee that he was going to quote the editorial in complete detail, I wish to say that so far as the quotation has gone it has not any application to the bill under consideration. If he would be prepared to assist me in that regard I might review the opinion I express now. We are talking about a bill to provide for the establishment of a national economic development board, and I would caution the hon. member about quoting the editorial in full because hon. members of the committee have their own opportunity to read it and no doubt most of them have read it. If he can apply certain passages that are closely related to the bill, then I shall be glad to hear him.

Mr. Walker: Mr. Chairman, this is what I was attempting to do. I had no intention of quoting the whole article. This has to do with the long term measures which were proposed by the government in the throne speech, and certainly one of the long term measures we might expect is an effective economic development board. That is how the editorial is associated with it, but if the chairman and the committee desire me not to go further into the part where it deals with some of the faults it finds with the Liberal party, then I shall be quite happy to leave that particular part out. As it says in this editorial, there is no sign yet of the long term measures, and it was in that connection I gave the quotation from this national newspaper which has not been unfriendly to the government. This is a judgment of a reputable newspaper which I believe has the interests of Canada at heart. This is an editorial expression of the kind of concern for Canada that I myself had when earlier this session I said this:

It is not only this minority Conservative government's reputation that is at stake at this time ... but there is something of much greater importance about which I want to speak, although the government's reputation has a direct bearing on this other matter, and that is the question of the confidence of Canadians in the ability of our free parliamentary democracy to supply the answers and chart the course for the great social changes that are now under way in Canada.

Then I went on to speak of the government's apparent incapacity to understand the kind of social ferment and unrest that is bubbling away under the surface of our national life and which occasionally manifests itself publicly in a number of undesirable ways. The gravest dangers to Canada's unity and economic independence lie in the months and immediate years ahead. No longer will any government be able to cap the well or hold back our people's aspirations by expedient grants, handouts or appointments in a piecemeal fashion. We are faced with a groundswell of what I think of as a frustrated Canadian spirit that yearns for greatness for our country; that calls for Canada's sympathetic and helpful identification with the emerging nations; that desires deeply the respect of our traditional friends and neighbours; that wants to believe in political morality and the courage of conviction; that is struggling toward a proud and satisfying Canadian identity in the family of nations.

This failure by the government to "understand tomorrow", to borrow Rabbi Rosenberg's phrase, is what is holding this country back. This failure to understand tomorrow is what makes possible the rise of demagogues and tyrants, or maybe we are in the grip of them already. But we must do more than understand tomorrow. A government must have policies for Canada that prove they do understand tomorrow and know what is going on, and that they are capable of leading the country forward. For instance, where is the integrated, comprehensive policy that would make the C.N.R. a useful instrument in the economic recovery of Canada's depressed areas? As my colleague from Antigonish-Guysborough pointed out in his excellent speech on Thursday, December 6:

We all know that governments over the years have been concerned with this matter, and indeed went so far as to create a royal commission to look into it. The royal commission reported that by reason of the development of competition, particularly trucking competition, in central Canada the railways are having a tough time making ends meet in the extremities of the country. Consequently they apply for permission to raise their freight rates, but this permission they use to its full extent only in those extremities. Therefore the freight rates go up in the east and the west, and they are kept down in the centre of the country by reason of the competition there.

The royal commission on transportation points out:

While we recognize the complexity of the rate structure issue, we cannot help but believe that railway resistance to the adoption of a more cost-oriented basis for ratemaking is essentially unrealistic and reflects a degree of institutional rigidity which is out of place in the transportation environment of today.

Those are the words of the royal commission on transportation, and I use this example to illustrate the ridiculous situation where a publicly owned utility, owned and paid for by the Canadian taxpayer, operates in such a way as to prejudice the growth of secondary

industry in areas where such growth is of prime importance to the local taxpayer. All because of a lack of a nation-wide transportation policy we cut the economic throats of the very areas the government now says it is going to assist by setting up another board or council. I presume that this board will be working hard to counteract the penalizing policies of other boards, and all this costs money, hard earned taxpayers' money. Why spend all this money if it is not used in conjunction with a national policy designed to produce the Canada of tomorrow?

In these fast moving days we know that many airplanes—I believe we have learned this—are practically obsolete before they are off the drawing board. I submit that most of our piecemeal legislation is the same way. The basic problem is that all these bits and pieces of legislation only delay the full answer to our nation's needs because they are not connected to a national policy, and all hon. members know why. There is no national policy. There is no national policy on defence; there is no national policy on power and water resources; there is no national policy on depressed area redevelopment; there is no national policy on foreign investments in, and subsequent control of, Canadian resources and industries; there is no national policy on medical care, contributory portable pensions and other social security measures; there is no national policy on public housing.

Mr. Nesbitt: Oh, nonsense.

Mr. Walker: I repeat, there is no national policy on public housing.

An hon. Member: Don't be so stupid.

Some hon. Members: Keep on reading.

The Chairman: Order. Perhaps I should have interrupted the hon. member previously to point out that, if he was quoting his colleague from another debate that has taken place this session, he was not in order. I did not interrupt him at that time because I had already interrupted him once. I now interrupt him again just to caution him about ranging too widely in his contribution and so that he will assist me in terms of relevancy, which is what I have to look for.

Mr. Walker: Mr. Chairman, I am rapidly narrowing this down to my point.

Some hon. Members: Oh, oh.

Mr. Walker: Mr. Chairman, in case hon. gentlemen on the other side of the chamber did not hear me, I wish to repeat that there is no national policy as such on public housing. We can no longer afford the luxury of lack of long range policy. I believe the worst feature of this sad state is that it is being paid for by the sacrifice of taxpaying Canadian citizens. I might say, Mr. Chairman, that I am paying off the last of my income tax this month.

An hon. Member: Good.

Mr. Walker: That is right, it is good. We will go without things in our home in order that I may fulfil this obligation to the country. I am now saying, and the taxpayers of this country are saying: "What is the government doing with our money? We want an accounting". The people say there must be no more waste because of lack of national policy on defence, on unemployment, on depressed areas, on small business, on industrial development which we hope will be owned and controlled by Canadians.

Mr. Chairman, I served in a municipality in Ontario for a number of years, and I say that if Ontario municipalities spent tax moneys before budgets and estimates were approved by their councils they would be laying themselves open to serious charges of maladministration by the Ontario municipal board. The Tory government have leisurely but, in my view, with intent, drifted into this same serious position in connection with national expenditures of billions of dollars of taxpayers' money.

Mr. McIlraith: And they refuse to submit it to the house.

Mr. Walker: Mr. Chairman, there is no municipal board to chasten them, but there is the parliament of Canada composed of representative Canadian citizens whose legal and constitutional job is to keep an eye on how our taxes are being spent. The denial of this right is the last stage of the evasion of rights of the common man, the ordinary taxpayer, to demand an accounting of the government's use of his hard earned money.

The Chairman: Order. I have endeavoured very patiently to hear the speech of the hon. member, recognizing that there will, I expect, be opportunities when he can make a speech of the nature of the one he is now giving and remain within the rules of the house or of the committee. I hope he will co-operate with the Chair and confine himself to the bill which is under consideration.

Mr. Walker: Yes, Mr. Chairman. Will the government not now, even at this late date, trust parliament, which represents the people of this country, and bring forward national policy legislation that we can get our teeth into, that we can amend and improve, and finally pass in a co-operative effort to move Canada forward in a way our people so earnestly desire? Those who feel as I do will assist them in every way possible.

National Economic Development Board

If the government really means business, will it please now give this country an integrated over-all long range economic policy of national development which takes into account the urgent needs of municipalities and the small businessman, as well as our industrial complex. Will it please consolidate all its boards, commissions and development councils, which have been riding in six different directions at the same time, into one department of action for the economic growth of all regions of Canada, under a minister directly responsible to parliament, a minister available for questioning.

I understand that the genial but overworked Minister of Finance is to be responsible to parliament for the economic development board proposed in this measure. I am sure that the hon. senator who is charged with the responsibility of this board's work outside the House of Commons, is going to be very, very frustrated as he watches from the galleries the Minister of Finance explaining to the house what he thinks is in the mind of the hon. senator.

All the information is in. Information trips and reports have been made by the productivity council, the Canadian Labour Congress, the dominion bureau of statistics, the Bank of Canada and ever so many others. The municipal, national and international experts have all reported. Under this new act we are apparently now going to analyse the analysers. We are going to study their report on previous studies and reports. This is a waste of time and money.

The country is read for a policy of action that can save us our financial and political independence and achieve a rate of growth to lick unemployment and remove the immigration bars once more.

What is the government's reply to these auspicious circumstances? They say: "Let us run around the track once more. Let us have more studies and reports and recommendations." Can we not now move, or has our will and moral fibre deteriorated to the point where the government is biologically incapable of taking a strong firm decision on anything that requires a national policy.

The measure before us states that annual reports are to be submitted to the responsible minister three months after the close of each fiscal year. The government has all the information it requires right now to give the green light to the Minister of Finance to formulate a national development policy. Why wait any longer?

(Translation):

Mr. Caouette: Mr. Chairman, section 1 of Bill C-87 reads as follows:

This act may be cited as the National Economic Development Board Act.

[Mr. Walker.]

For the past several hours, we have been hearing the whining and laments of our Liberal friends concerning the government's inaction. We feel ourselves that the government is not so very anxious to introduce or set up in Canada means to tap our natural resources or to develop our national economy.

On the other hand, when we hear members of the Liberal party criticize the government and accuse members of a certain party of the opposition of filibuster or of obstructing the orderly conduct of the nation's business or the administration of Canada, we wonder—and rightly so, I am sure—why they did nothing when they were in power because, if they had done something, we would not find ourselves in the present situation.

Mr. Gregoire: Quite true.

An hon. Member: Twenty two years.

(Text):

Mr. Pigeon: Twenty two years.

Mr. Caouette: Twenty two years, it is a long time, Mr. Chairman.

(Translation):

People sitting on the same benches for twenty two years.

Mr. Gregoire: Not the hon. member for Assiniboia (Mr. Argue).

Mr. Caouette: With the exception of the hon. member for Assiniboia, who not so long ago was sitting elsewhere.

But when we hear representatives of the Liberal party criticize the government, we wonder quite rightly, as I said before, why they did nothing during the 22 years they sat on your right.

Mr. Gregoire: Jokers, that is what they were.

Mr. Caouette: Mr. Chairman, as the hon. member for Lapointe just said, they were jokers, they were incompetent—

Mr. Gregoire: It is true.

Mr. Caouette: —or ignorant.

Mr. Gregoire: Or all three.

Mr. Caouette: Well, perhaps all three—

(Text):

Mr. Fisher: All three.

(Translation):

Mr. Caouette: Mr. Chairman, we in this corner believe that there is a lot to be done, not only to establish a national economic development board, but also to develop our natural resources.

Yesterday, I attended meetings in the riding of Richelieu-Vercheres, a good solid Liberal riding for a number of years. I also was in the Shefford constituency where, in spite of a terrible storm, I met several thousand people.

I have also realized that the people of our counties, the average Canadians understand the problems, and especially their solutions, much more readily sometimes than certain members of parliament can or seem to.

In fact, when we ask the people of those constituencies: Is there in Canada a man or woman who is worrying about not being able to find tomorrow a dress, a topcoat or fur coat, a man's garment, a hat, in short, clothes, food or electric appliances? We get the following reply: Nobody stops to think about that, not even a single member of parliament.

There is only one question which comes to everybody's mind: Is our purchasing power sufficient for us to buy existing commodities in Canada, so that production in our country may be under the control of the Canadian people?

We must give more importance to the consumer than to the producer in Canada. Producers have but one problem, to sell their products. That is why a national economic development board which would encourage or control production in our country would in no way solve the problem. Members of parliament, like the rest of the people, must concern themselves with the problem of making it possible for consumers to buy the commodities manufactured by our producers or by the production complex in Canada.

Naturally, some hon. members and some economists will claim that that will bring inflation, that it is utopian, just like certain writers and economists who maintain that Social Credit is a utopia. Those who do not know what the word "utopia" means—and that includes several members of parliament—like to say: "It's a top; it's a top; it's a top."

Mr. Chairman, Social Crediters have a solution to offer to Canada. Not only do they offer an answer to Canada, but it is the true reason why we are assembled here and why the whole country should present today a united front, and act and exist as a single person.

Social Credit will not perform miracles.

Besides, the Liberals have never performed any, far from it. They created problems so that we could perform miracles afterwards.

The Conservatives have not done much more in the last few years. Social Crediters do not pretend to be supermen, but they do claim that they can bring to Canada an answer likely to arouse interest, not only within our boundaries, but also outside the country.

If this economic development board now under discussion has not yet been set up, it is through the fault of the Liberals, even though they complain—as can be seen in the press—that the government has not accomplished anything since it came into power.

All rushed forward for the onslaught. Of course one can make a few suggestions concerning the national economic development board. But what practical ideas did the Liberals put forward in answer to the Conservative program? In this instance, we see quite clearly, once more, that both parties are of the same essence, that they have the same organization, an identical platform, the same fundamental principles.

Mr. Chairman, I do not propose to detain the house any longer. If the national economic development board is important to Canada and to the hon. members, let us by all means enact the bill, create that board, and ask it to create in turn the economic conditions which will—or so Canadians hope—lay the foundation for economic development.

(Text):

Mr. Webster: Mr. Chairman, this discussion has proceeded for some considerable time, but there are one or two things I want to say on behalf of the New Democratic party. There has certainly been widespread interest in the bill we are considering at the present moment to establish a national economic development board. The reason is that people are asking, is it possible to manage and direct the development of our Canadian economy so as to correct the weaknesses which have been apparent for many years to anyone with eyes to see and ears to hear? The bill might very well be called "Great Expectations", because I suggest that people are expecting great things from it. But they will be disappointed and disillusioned unless the government is wise enough to accept many of the carefully considered amendments which will be proposed by my colleagues in this corner of the house.

I submit, Mr. Chairman, that the success of this bill will depend on at least four things: first, an understanding of the problems to be solved; second, the sincerity of the government in promoting the concept of modern planning; third, the composition and

competence of the board to be appointed; fourth, and probably the most important of all, the courage to implement the recommendations of the board both in the public and the private areas of our economy.

The week before this session opened last September there was an editorial in *Maclean's* magazine by Peter Newman, one of the most experienced and respected commentators in the newspaper field in Canada. Now, sir, I am not going to read the whole editorial, but I do crave your indulgence to read a few paragraphs which deal directly with the problem that is before us this evening. After referring to the stopgap measures adopted by this government last summer Mr. Newman continued as follows:

> The cardinal task facing us now is to correct this flabby approach to economic problems. We need, first, a measure of economic planning to bring direction and purpose to the management of the nation's affairs. Economic planning in one form or another is the means by which the western European democracies have outdistanced us economically. Administrators in Washington are using—under other names—many of the methods that together make up economic planning. Ottawa is not; but sooner or later Ottawa is going to have to start...
>
> The vital first step in the intellectual reorientation the new economic climate demands is to throw off the tyranny of words. In the past the phrase "economic planning" has been damned as socialistic doctrine—

Mr. Chairman, I recall, as has already been mentioned in this debate, that in introducing this legislation the Minister of Finance very carefully, but I think very foolishly, avoided using the word "planning" at any time. May I continue:

> A planned economy does not signify state control. Rather, it is the deliberate use of those methods that can encourage government, industry and labour to co-operate voluntarily—
>
> Until recently, most economists tended to recognize only two earlier models: the totalitarian model of Russia, and the unrestricted free enterprise model of the United States. But as Robert Fowler—

to whom reference has already been made by the hon. member for Vancouver South this evening—

> —the enlightened executive who heads the Canadian Pulp and Paper Association has recently been pointing out, the experience of Europe now offers us a third alternative: the choice of a free but planned economy. "To adapt this to Canada," Fowler admits, "will require profound changes in our attitudes and our laws... but it may offer the best chance of restoring rapid economic growth in this country, and a chance of achieving a distinctive national identity."

Briefly, sir, may I indicate a number of factors which merit consideration in setting up this board. First, the final purpose must be to assure the development and use of our material and human resources to the highest degree possible in the service of people here and elsewhere. Second, both private and public sectors of the economy must play a part in any effective plan. Third, long range objectives should be established as this is not intended to meet a temporary emergency. It will be a continuing process. Fourth, the whole of Canada must be involved, not just a few isolated areas that may be particularly in difficulty at the present time. Fifth, the best available personnel should be engaged. During the war the late C. D. Howe did this successfully to prepare Canada for its war contribution. Surely we can do as well in peacetime. Sixth, co-operation of all sections of the community will be the key to the eventual success of this legislation. I am thinking at this point not just of industry, labour and government but of people generally.

I submit that if the board that will be appointed and which will be responsible for this legislation is wise it will consider the importance of this factor, that working people of all kinds need to participate more in our Canadian democracy. We need men and women from management and the unions and the civil service certainly but also from the universities, consumer groups and citizen organizations across the country.

In this age of bigness ordinary people become divorced from the end product, the results of their labours. Not only in the interests of democracy but in the interest of good mental health men and women need to be consulted more and trusted more in the management of the country's affairs. After all, this is their business. Given an opportunity to participate, Canadians would respond to a peacetime adventure of this kind with the same spirit that has always characterized our people whenever they have faced challenging problems ever since confederation, almost 100 years ago.

Mr. Pickersgill: Mr. Chairman, I had not intended to take any part in this debate on the first clause of the bill and I would not be doing so except for one of those meteoric interventions that we have from time to time when the hon. member for Villeneuve condescends to visit the chamber briefly. I did not feel I could allow some of the things he said to pass in silence and it is only to reply to one or two of them that I have risen to speak.

The hon. gentleman expressed a view with which we are certainly in agreement, and that was that the government was very slow in getting down to any kind of business. But then he went on to deny the Liberal party any right to criticize the government because we had been 22 years in office some years ago. We were in office for 22 years because

the Canadian people wanted us, but apparently, in his view, we are for all time to be stopped from saying anything in the parliament of this country. No doubt that is the conception of democracy of the hon. member for Villeneuve but it is not mine.

I simply wish to suggest to you, sir, that there is every reason on earth why the Liberals should criticize the dilatory conduct of the government. For the 400,000 unemployed, looking for jobs, which has been the average in this country since the election of 1958, taking one month with another the whole year round, the last five years have seemed a lot longer than the previous 22. I suggest to the hon. member for Villeneuve that the reason he was able to get elected in 1962 was that we had then had four of those five years with a Tory government and had had unemployment and the discontent which it fed. I suggest that if there had been the kind of full employment that existed up until June of 1957 the hon. member for Villeneuve and his friends would not be here at all.

Some hon. Members: Oh, oh.

Mr. Pickersgill: Everybody knows that. Everybody knows that they have cultivated misery and that that is their sole and whole stock in trade. Unfortunately and unhappily there has been misery for the last four and now nearly five years for them to cultivate, because of the failure of the government to keep the Canadian economy in a state which employs all our people.

Mr. Ricard: You never had full employment.

Mr. Pickersgill: The figures have been put on the record many times and I am not going to put them on tonight, but I will use an illustration that I think is the best that can be used. In the last year that the country had a Liberal government a quarter of a million strangers came to live in Canada and all those who wanted jobs found jobs.

Some hon. Members: Oh, oh.

Mr. Pickersgill: Also, all young Canadians who wanted jobs in that year found jobs too.

Some hon. Members: Oh, oh.

Mr. Pickersgill: Oh, hon. gentlemen do not want to let me speak.

Mr. Ricard: You can speak all you like. You are saying nothing at all.

Mr. Pickersgill: They are seeking to shout me down—

Some hon. Members: Oh, oh.

Mr. Ricard: Speak all you want. You are not saying very much anyway.

Mr. Pickersgill: —because they do not like to hear the truth.

Mr. Ricard: More people are working than ever before.

Mr. Pickersgill: But I do not think they will find me as easy to discourage as they found their leader was recently. I was saying, sir, when I was interrupted by the whip, whose function is something other than to create a disturbance in the house, that in the last year we had a Liberal government this country was able to absorb a quarter of a million immigrants—

Mr. Horner (Acadia): Would the hon. member permit a question?

Mr. Pickersgill: —and in addition all our young people were able to find employment. In 1956 and 1957 no one in this country had to look long for a job.

An hon. Member: Why did they kick you out?

Mr. Pickersgill: Somebody said, "why did they kick you out". I will tell the hon. gentleman precisely, because we had been there for 22 years—

The Deputy Chairman: Order. I am very interested in the remarks of the hon. member but I would suggest to him that they must have relevancy to the bill. I am sure the hon. member will try to bring his remarks back to the bill we are discussing because at the present time he is very far from the subject of the bill.

Mr. Pickersgill: Mr. Chairman, I am dealing precisely and explicitly with the remarks made by the hon. member for Villeneuve and I claim the same right to speak as the hon. member for Villeneuve, notwithstanding the fact that, unlike the hon. member, I am no friend of the government.

Mr. Ricard: We choose our friends.

Mr. Pickersgill: The hon. member for Villeneuve would deny us the right to speak because conditions, he said—he was allowed to say this and was not interrupted by the Chair—were just as bad—

Mr. Ricard: This is very low of you.

Mr. Pickersgill: —circumstances were just as bad when we were in office as they are now. If he was permitted to say that I suggest, sir, that you would not wish, because you have always been fair in the Chair, to deny me the right to reply, and that is all I am doing.

I repeat that the difference is very plain. I will tell hon. gentlemen why it was. Just

a few minutes ago the hon. member for Vancouver-Kingsway commended the late Mr. C. D. Howe for the planning he did for Canada during the war. He could just as well have gone on to commend Mr. Howe and his colleagues, and I was not one of them, for the planning that they did at the end of the war. The white paper on unemployment forecast policies, maintained for 12 years, from 1945 to 1957, resulting in the highest level of employment that we have ever known in Canada. This enabled the population of this country to rise more rapidly than it had ever risen before at any stage in our history. It enabled us to open our doors to millions of immigrants who were able to come here and make their living.

What has happened in the last two years in connection with immigration? More Canadians have left Canada, I am unhappy to say but it is true, to find jobs in other countries than strangers have come to Canada looking for work. This is the difference. I can tell the hon. gentleman who talks about "le pouvoir d'achat" that we would have no trouble in maintaining "le pouvoir d'achat" if we had our people working and earning wages. This is the way to have purchasing power, to keep your people working and earning wages.

This, I may say, was the policy that was laid down at the end of the war by the Mackenzie King government of that day. This was the policy that was followed for 12 years, and for 12 years we had full employment in this country. For the last five years the average unemployment, one month with another, has been over 400,000.

Now, that is the difference. Those are the facts and they have no relation to the fictions to which we are treated from time to time by the hon. member for Villeneuve and those who live in the world of fantasy which that hon. gentleman has created. It seems to me, sir, that it is about time we stopped talking a lot of nonsense—

Some hon. Members: Hear, hear.

Mr. Pickersgill: I said I thought it was time we stopped talking a lot of nonsense about—

Some hon. Members: Hear, hear.

Mr. Pickersgill: I repeat that I will not be discouraged as easily as the hon. gentlemen's leader was the other day, no matter how much disturbance they choose to create. It is time we stopped talking, and listening to, a lot of nonsense about—

Some hon. Members: Hear, hear.

Mr. Pickersgill: —some magical formula which will solve all our problems without any kind of planning or any kind of organization, which the hon. gentlemen in the Social Credit group seem to think they have discovered. As a matter of fact, as far as I can discover, all they have discovered is a way in which to keep in office a government which only 37 per cent of the voters wanted in office.

I suggest, sir, that it is, and it always has been, difficult ever since 1867 to maintain a viable, dynamic, growing economy in this country. It has always required planning. It has never resulted from the operation of simple laissez faire; never at any time, and whenever any attempt has been made to leave it to the so-called natural forces, the economy has flagged. So far as I can see, that has been true in the nineteenth century and in the twentieth century as well. It is true, and we have never pretended to the contrary, that plans were made at the end of the war. Plans were made for the transformation of the Canadian economy from a wartime to a peacetime basis. We had a formidable task at that time. There were one million men and women under arms and there were another million working in munitions plants. Hon. gentlemen will recall, some who have been here a long time like the hon. member for Winnipeg North Centre, that he and his friends expected a depression at that time. I suggest that one of the principal reasons there was not a depression was precisely because there was intelligent, broad planning of the kind that was carried on at that time by the government of that day.

This is precisely what this country needs now, and it is precisely what we recommended in the last election campaign. I could read from the program that we put forward. I remember the scorn that was poured upon these proposals of ours, particularly by the Minister of Labour. We have had these statements brought up before in this debate, and I am not going to repeat them. The minister will recall, himself, how he dismissed all this planning. Then, we remember the Prime Minister, in one of those airy-fairy speeches of his—you know, with that extraordinary comprehension of the economy which he has—talking about the great struggle being a struggle between free enterprise and socialism. This, of course, is a lot of nineteenth century nonsense that no one living in the twentieth century—I was almost going to say living in the real world—would be talking about now.

Mr. Martineau: A debt free money world.

Mr. Pickersgill: Oh, the hon. gentleman can go over and chat with his friends about that. The Minister of Mines and Technical Surveys would not even be in the government if it was not for the debt free boys keeping him there.

If I may come back to my point, it is a very simple one. We do need planning. This bill, and any blueprint the government has so far given for this council, I suggest is a sham. I suggest the government has no intention of having this board work. They feel that, as a result of the last election and the 37 per cent of the votes they got for their method of running the economy—

Mr. Bigg: How many did you get?

Mr. Pickersgill: We got 37 per cent as well, and a little bit more. As the Leader of the Opposition said, in the last election the people did not decide what government they wanted. They gave an emphatic verdict on what they did not want. I can also say that if hon. gentlemen opposite will give the people a chance it won't take them long to decide what they do want now, after the exhibition we have had for the last nine months.

In so far as this bill is concerned, I say it is difficult to believe a government containing the Prime Minister and the Minister of Labour, considering the views they expressed about any form of planning before the last election, would have any serious intention of allowing this board to work. I do not believe there has been any genuine conversion of these people. It is just another gimmick, another Diefenbaker gimmick, to try to fool the people once more. I do not think, sir, it is going to work.

Mr. Nowlan: Mr. Chairman, I did not intend to speak on the first clause until all hon. members had spoken, but having listened to the political claptrap to which we have been exposed for the last 15 minutes I think I should say something at this time.

My only regret is that all the people of Canada could not have been sitting in the galleries here tonight. They would have witnessed a spectacle of political irresponsibility the like of which this parliament has not seen for many many months.

Mr. Pickersgill: Could I ask the minister a question?

Some hon. Members: Sit down.

Mr. Nowlan: Mr. Chairman, I have disagreement with my friends in the far corner of the house with respect to their ideas of planning, but they have contributed an intelligent discussion with respect to planning from their own point of view, and I respect them for it. Indeed the great majority of hon. members of the house have done likewise. The hon. member for Vancouver South tonight gave us a contribution with respect to problems affecting his province, problems which this board might be asked to deal with, but here we have just been exposed to a political diatribe the like of which you would not hear in the backwoods of any constituency in any place in Canada, and here we are dealing with a matter of importance. We are dealing with a matter which all hon. members have said they agree on and think is necessary. They agree it is something with which we have to deal, and yet we have to indulge in a partisan diatribe such as transpired tonight.

All it goes to prove is that there is a split in the Liberal party between those who want to play partisan politics come hell or high water and those who are prepared to give us a chance to go ahead with the country's business, and I think my friend from Bonavista-Twillingate is certainly the leader of that rebel group.

When he was speaking I was fearful of the fact that he might have a stroke. I am glad he has his doctor in attendance here because if he indulged for very long in pyrotechnics such as tonight we would have a casualty on our hands and that, from a personal standpoint, I would regret very much.

Mr. Pickersgill: On a question of privilege, Mr. Chairman, the Minister of Finance has made a dastardly attack on my health. I assure you, sir, my health is excellent. I have never been in better health. In fact I would challenge the Prime Minister to push-ups any time.

Mr. Starr: Your arms are not long enough to get you off the floor.

Mr. Nowlan: Mr. Chairman, if I were as partisan minded as my hon. friend from Bonavista-Twillingate I would regret that my diagnosis had been wrong, but as a personal friend I am glad to know his physical strength is much greater than his mental stability.

This debate has gone on for some considerable time and as I said, on the whole—and I emphasize on the whole with one or two noticeable exceptions, some of which we have seen tonight—it has been orderly and constructive. I appreciate the manner in which hon. members from all parties participated, despite the fact that we have varying points of view in looking upon the problem. Like everyone else, everyone is for virtue and everyone is against sin, but when it comes to describe what is virtue and what is sin sometimes there are differences of opinion.

Sometimes we have hon. members saying we should have planning of a mandatory nature, and that term is more than suggestive and more than indicative; but our friends in the New Democratic party have expressed that point of view, have expressed it forcefully, and from their own point of view have

expressed it very well. It will not surprise them at all when I tell them I disagree with the point of view they express because it is not reconcilable with a free economy, and so far as the government is concerned we believe in that system despite the fact that in historical connotations and in our growth there have been some limitations on the development of the nation in a free enterprise system.

Some hon. members have said that the board is inadequate. There have been suggestions that the board is going to consist of only one man. Other inferences have been drawn, I think honestly drawn, and as we go on to deal with the clauses I shall deal with them in greater length.

The chairman is to be a full time chairman and a varying number has been set for the members. They are not frozen into a compact group. In fact there is a certain amount of elasticity whereby within this number we can have a board representative of industry, agriculture and all the various groups in this great nation. It is true membership is of a voluntary nature. Members will be paid their expenses. They will not be paid salaries *per se;* but, Mr. Chairman, you will notice that under clause 16 the board may appoint such officers as it requires and these will not be employed through the civil service commission. They will be appointed by the board and they will be paid such salaries as the board shall determine.

There is no question as to why that provision has been included. I may say I expect to be here when this bill is implemented, and if this provision carries I hope we will attract to the board the very best brains obtainable in Canada for its service, regardless of politics and regardless of anything else. With all due respect I might as well face this problem frankly. If we limit this board to retaining employees under the civil service commission then I point out that the statutory salaries which are fixed will apply and the statutory competitions must be held.

I have had something to do with the drafting of this bill and I resent any inferences to gray eminences. Any gray eminence who exists, when he found out about this board he found out about it from me. That is the first he heard about it and I am determined, so long as I am Minister of Finance and so long as I have responsibility for handling this bill, or act when it becomes statutory legislation, that we will have a group of employees, servants—call them what you will—associated with the board—

Mr. Pickersgill: Bureaucrats.

[Mr. Nowlan.]

Mr. Nowlan: They will not be bureaucrats, I can assure you on that. We inherited a lot of bureaucrats and bureaucrats have their place, and I must say they are right there.

Somebody said "You have enough men now to advise you." That is true in the civil service. We have, I suggest, as able a group of men and women in the upper echelons of the civil service as any country in the world, and I pay tribute to them; but they are very, very limited in number and the problems are very, very many. Virtually all of them in the civil service are saddled with responsibilities of administration, departmental administration and day to day problems. They can deal with those day to day problems and they deal with them effectively, certainly to my satisfaction and the satisfaction of my colleagues. Though we all make mistakes, on the whole they deal with their work reasonably well; but when it comes to the long term problems they just have not the time to give their attention to those problems. Certainly hon. gentlemen opposite who have experience in administration know the problems they are confronted with from day to day. Our senior civil servants are not in the position to deal with these long range problems as they should. When some of us—shall I say, "when I" looked over the situation and I realized the long term problems that had to be solved, and I realized the problem of the balance of payments, I realized that we had to have a group associated with this government; not, as the hon. member for Davenport said the other night, a wing or part of the Department of Finance. It will not be a part of the Department of Finance. It will be an independent board entirely, reporting to the Minister of Finance, whoever he happens to be at the moment, but it will be no more a part of the Department of Finance than is the tariff board or any similar body. It will be an independent board to which we hope to invite in a voluntary capacity the leaders of business, agriculture and labour, with all the groups in this country sitting around. Somebody said it would be a cocktail party. That was said by my genial friend down to the right, with his brilliant tongue but not always the logical reasoning that one would expect from him. He is the one who referred to this board as being a cocktail party. I am told, without any great knowledge of it, Mr. Chairman, that sometimes good things emanate even from cocktail parties. But certainly it is not a cocktail party that is going to determine the work of this board. There will be groups associated with it comprising, I hope—as I have said—the very best brains this country can produce, men and women in economics and finance and experienced in the various problems with which we are confronted. We are also asking the universities to help. We are asking them

to solve certain problems by delegating to them, or some industrial research group, certain problems.

There are no other problems, Mr. Chairman. This country and this parliament needs the support of all parties here to make sure that the type of men and women we invite to come to this board, the type of men and women the board after it is appointed will retain and ask to take employment here, will be of the calibre that the nation needs. In the face of this we have picayune, partisan criticism such as has emanated from two or three speeches, and only two or three, to the effect that it is going to be very difficult to get the men and women that I hope will be attracted to this board and who I believe can be attracted to the board if this parliament deals with the bill as I suggested, with all respect, it should be dealt with.

I am not going to go into all the criticisms which have been uttered by various hon. members during the debate. As I said, Mr. Chairman, I think most of them have been on a very high level. One could spend a great deal of time dealing with them, but I would hope this committee could see its way clear at least to pass clause 1 this evening in order to get off the first clause, and then we will deal with the details of the other clauses as time goes on.

I have notes of all the comments of every hon. member except those who have spoken this evening. I did not have the time to make notes of what was said in those speeches this evening. The hon. member for Coast-Capilano said that the board should report to a committee of three ministers. I do not think anyone expects a board to report to a group of ministers. It must report to somebody who is responsible for it, and there certainly is no difficulty in the world about setting up—as my hon. friend for Bonavista-Twillingate and others who have been in government know—a committee of the ministry to deal with specific problems as they develop.

The hon. member for Red Deer made an address earlier in the debate, I think when we were at the resolution stage, in which he suggested that a great deal of this work should have been delegated to the productivity council, and we did not need this board at all. That is an argument which he advanced and I think there are others who perhaps share his view. I would point out to the hon. member that the United Kingdom has had a productivity council for many years and it has done very, very good work, as has the productivity council in this country. But in the United Kingdom two years ago they also set up what is popularly called Neddy, the national economic development—I do not know what that last initial stands for—

An hon. Member: "Council".

Mr. Nowlan: —but it is roughly parallel to the national economic development board which we are now setting up.

Mr. Thompson: Mr. Chairman, might I rise on a point of order. I would correct the Minister of Finance when he says that I suggested the productivity council should take over the work of this proposed economic development board. That is not what I said. I said the two bodies should be co-ordinated together and the productivity council should be enlarged, so that the full scope and purpose laid down for this board could be fulfilled.

Mr. Nowlan: Well, Mr. Chairman, east is east and west is west, and never the twain shall meet. Apparently the hon. member for Red Deer wants to incorporate the two groups. We are following the example set by the United Kingdom in setting up a national economic development board which will work very, very closely in co-operation with the productivity council. A great deal has been said with respect to planning. Some of it has been said by our friends in the New Democratic party. My hon. friend from Essex East and others have referred to the great development that has taken place in western Europe. They referred to France as an example, Sweden and other countries. Certainly we in this country who study these matters would be the first to admit that they have made tremendous advances and tremendous development has taken place. However, I would suggest that this committee must not overlook the constitutional problems with which we are faced; the fact that this is a federal state, that we have provinces and are not a unitary state, that property and civil rights impinge upon trade and commerce and there are always constitutional problems which do not apply to unitary states such as —I am not sure of the constitutional developments of all the European countries and I do not want to be caught out in this connection, but I would suggest France, Sweden, Belgium, Switzerland and the United Kingdom. Also, we certainly have not the government control or the intervention of the state in this country; and, with all due respect to my hon. friends in the far corner, I do not expect we will have such control for some time such as there is in France, Sweden and other European countries.

We are developing here a pattern which is somewhat different from that which is applied in western Europe. I think it is closely analogous to that which applies in the United

Kingdom and it is one which I think will result in a great deal of development and planning in this country. It is easy to say, "Ah, it is only a shell, only an empty gesture. It does not mean anything at all". Those comments can be made and have been made to some extent during this debate. I disagree with them positively and absolutely. As I said earlier, I know what is the concept of planning, not the mandatory planning that some would have, but the long range planning which I and my colleagues had in mind when we asked this parliament to set up this board. It is far from perfect. No organization can be perfect and no organization will be perfect. It is going to face difficulties, of course. There are many problems which we have to face. There are problems such as the hon. member for Vancouver South referred to this evening. There is this problem, for instance. My hon. friend from Vancouver South said, "Well, after all President Kennedy now has his long term trading bill. Why do you not approach him and enter trade negotiations? Why do you not arrange for reciprocal trade or break down the barriers between our country and the United States?" That, of course, is an argument which has been advanced before and it is one worthy of comment. But certainly President Kennedy made it abundantly clear, I hope, that any concessions that he makes so far as tariffs are concerned are going to be on the most favoured nation basis, and when he makes reductions they are going to apply to all the nations that come into the most favoured nation tariffs. Much as we have pride in Canada and admire our friends in the United States, I would think that if the hon. member for Vancouver South were in charge of tariff negotiations for the United States he might hesitate in making too many concessions to Canada. I know they would apply to the whole world, but they still have to trade and negotiate with the United Kingdom. These matters however to a large extent depend upon a certain gentleman across the channel, as to whether the United Kingdom enters the common market and whether they deal with the United Kingdom or the common market countries generally. There are, of course, problems confronting us, and that is one. We have the balance of payments situation. We have the tariff negotiations. We have all these things to which hon. members have referred. I suggest that having had a debate which has gone on, now, for some days—and I am glad it has, because it has been, as I said, a very good debate—perhaps we could proceed. I understand there are to be some suggestions made, some amendments which hon. members would like to move. I should like to hear these proposals and give careful consideration to them. There is, on our part, no fixation with regard to this measure. There is nothing in this on which we stand or fall, come what may. It is a bill which has been drafted and to which consideration has been given by many people.

I am prepared to listen to any argument which may be put forward from time to time and, if I can see my way clear, to accept it if it does not involve the principle upon which the bill is based. I know of one proposal which is coming forward. It is a proposal I should like to debate strongly, because I think the type of man we should bring in has to be assured of relative continuity of employment, and this assurance cannot be given if he is only appointed for a short term. But that is another matter, and, as I say, I hope the committee can see its way to make progress before it rises at ten o'clock.

We read in the papers from time to time that this parliament may not be here for very long—that there may be an election. There are various predictions made which, perhaps, are products of the imagination. Nevertheless, these are considerations which we should have in mind. Therefore I should like to see this clause passed so that we may go on tomorrow and make further progress. So, if in its wisdom parliament decides that there should be other issues resolved in another form, we should at least have this bill through and begin acquiring the personnel to man the board. I can assure this committee that when the announcement of the appointment is made by this government we shall hear from all sides that we have chosen wisely and well. I am sure that this would also be true if another government were making the appointment. Unless such a choice can be made, a choice will not be made. That is why I should like to have this clause agreed to, and deal with it.

Mr. Teillet: I had hoped that my remarks, which will not be unduly extended, would have been delivered some time before this. However, even though they follow the lengthy observations which we have just heard from the minister, I hope I can conclude before ten o'clock.

Some hon. Members: Oh.

Mr. Teillet: Well, hon. gentlemen opposite have treated me this way since I came here. I have no complaints, but they must accept the same thing in return. One point which arises out of the minister's remarks is this —and I have no doubt he meant what he said when he told the committee he was prepared to accept suggestions made to him. If that should be the case, I think the government might well consider the appointment of a minister for economic planning. I would

certainly have no objection to such a move.

The second comment I wish to make—and this, again, arises from the minister's observations—is that the theory of the Conservative party's divine right not to be criticized is not accepted by this side of the house. Moreover, the theory they are trying to spread throughout this country, that any criticism of the Conservative government—

Mr. Grafftey: You are just boycotting the nation's business.

Mr. Teillet: The usual remarks from the other side. I was insolently spoken to by the Prime Minister when I first came into this house and I do not expect anything less from his henchmen. However, I do have one idea I want to discuss and I insist I do so very seriously. In the bill we find under duties and powers a clause which reads:

> The achievement of the highest possible level of efficient production and employment so as to ensure the raising of standards of living in all parts of Canada.

That phrase "in all parts of Canada" is the matter I propose to deal with this evening.

I could preface these remarks in no better terms than those used by my colleague from Toronto Davenport on November 29 as reported in *Hansard* on page 2147.

These were the third and fourth points he made.

> Third, this council should be concerned not only with analysing economic trends; it should also have as one of its main functions responsibility for working out solutions to our basic problems in practical terms. This means that the council should translate a good rate of economic growth into targets for each of the principal industries of the country; and in doing this it would be necessary to take into account regional problems and regional points of view. Fourth, the council should point the fact out to the government if it appears that any of the government's policies are in conflict with one another, as recently they have so often been, and it should be its responsibility to suggest how these conflicts might be reconciled.

Mr. McGrath: Why not table it as read?

Mr. Teillet: If hon. gentlemen opposite want to interrupt, my remarks will take that much more time. It is entirely up to them. I intend to have my say whether they like it or not.

I want to develop that idea a little further. In a country such as ours, national goals should not be set without due regard for the development of each region in Canada. This means, in effect, that planning will and must require a regional as well as a national approach. If we look at our geographical areas and go back to our historical methods we shall see clearly the great need of the regional approach. Our national concerns, by which I mean our business enterprises, our national business organizations, whether they be public or private, may at times make decisions which in their minds appear to be sound economics. But too often these decisions, even when they are correct in a narrow economic sense for a particular industry, result in a harmful dislocation in a particular region. In the end this can only work to the detriment of the national interest. The best example, of course, is our national communication system but there are other industries which have advanced the argument of economics as justification for concentrating in one area or another. In many cases it is doubtful if there really was justification for this concentration. The Trans-Canada Air Lines case is one instance of this. The transfer from east to west was based on the advantages of more economic operation, we are told. This is at least questionable in this particular case if all facts are taken into consideration—the piecemeal moves, the additional competition of air lines, the day to day decisions taken without regard for over-all effect. When all these things are taken into consideration it is doubtful if the regional development or, indeed, the national interest have been well served by this move. Many of us contend they have not. A shift seems to have taken place from decentralization in recent times. I cannot express it better than did my colleague from Toronto Davenport whom I quoted earlier.

As far as our western problems are concerned, we have reached a stage where much thought and study is required. Matters have reached a point at which a complete re-examination of our financial and economic position within confederation is needed. The application of the Rowell-Sirois commission recommendations served well in their time. But when it came to the time where adjustments were required the present government saw fit simply to scrap them. This needs to be taken up again. Such a council as proposed here should be able to work with such other bodies as are established from time to time for the purpose of re-examining our constitutional or other relationships. This is not said lightly. We have had dislocations in the past and we may well have them again. Western Canada cannot long continue to expend its efforts to develop its industries only to find that almost as soon as they are developed and established they are whisked from under their nose for establishment elsewhere. Our trade and economic structures have long been designed to work in favour of the more industrialized centres. This is the kind of problem, among others, which a council of this nature should be designed to solve.

Industrial development, economic growth and expanding trade should be viewed and

encouraged so as to provide benefit to all regions of our country. If our national life is to be maintained in a healthy, vigorous condition we must make sure that our maritime as well as our prairie provinces share in our objective of an ever-rising standard of living, and I suggest the minister has a great deal of knowledge of that question.

The exploitation of the tremendous wealth of our western provinces is not developing at a pace consistent with our capabilities because we are handicapped in so many ways. Population is one, the tendency to centralization of many of our major industries, both private and public, is another. This requires the setting of regional as well as national goals, and national goals should be adjusted to benefit regional development. The establishment of large concerns in the industrial east, often behind tariff protection, should not be permitted adversely to affect regional industries, in some cases even to destroy them. This has too often been the case. We are not here pleading for special privileges but only for an opportunity to develop at the same rate as the country as a whole.

A national economic development board, with this kind of objective and with the means at its disposal to plan, to analyse and to recommend forcibly, can and should be an instrument for a really great step forward and for sustained progress in our economic life.

Mr. McGrath: Would the hon. member identify what he is reading from?

Mr. Teillet: I am reading from notes. Again, I do expect these interruptions, but I do not take exception to them. I am reading rapidly from my notes, because, as I said earlier, the minister's reply delayed me and I want to get through before ten o'clock. But this does mean, particularly in the public sector of the economy, but also to some measure in all major industry, that the pure economic fact is not the dominant objective; the over-all objective must be the national interest.

Mr. Chairman, I am going to take another minute or two to deal with the objections and cat-calls from the other side. I have attempted here to deal with this matter very seriously, because I believe that this suggestion is one which cannot be overstated. This matter of regional development does not seem to suit hon. gentlemen opposite, who must carry on in their normal manner, which means that the sacred Conservative party must not be criticized, and that any new member coming into this house must be insulted. I take this and accept it. But I would suggest to them, however, that when we on this side get on our feet they must be prepared to accept criticism whether they like it or not. I do want to put that to you, Mr. Chairman. This is not the last time, either in this parliament or in the next, which may not be too long off, when you will hear me being very critical of the attitude not only of the treasury benches but also of some of the backbenchers on the other side of this house.

(Translation):

Mr. Lamoureux: Mr. Chairman, I hope the house will allow me to make a few brief remarks on the bill before us.

In the speech from the throne at the opening of parliament, we had the privilege of learning that the government was committed to bring before the house a program of legislation meant in part to stimulate the Canadian economy and to maintain a high level of employment.

The national economic development board, and this will come as a surprise to many, since the Conservative party have traditionally held that the idea of a planned economy was dangerous.

During the course of this debate, we have been reminded of the heated opposition raised by the supporters of this government when a similar bill was submitted to the house some years ago. Such a change of heart is not easily explained. There can be only one conclusion and it is that the government, having failed to solve Canada's economic problems through policies originating from within, must now rely on a solution suggested by the Liberal opposition. Of course, Mr. Chairman, I would not like to give the impression that I find fault with a government borrowing suggestions from other political parties for its legislation if they can be a real contribution to the welfare of the nation. If, after opposing a project because it was based on planning, the government decides today to reverse its policy and to sponsor an absolutely similar project, we must welcome that.

In fact, I find a little ridiculous the prudish reserve with which some people will approach the word or the idea of planning. In a country such as ours, where the government interferes in almost all fields of national activities, where almost one third of all revenues are handed back to the government in the form of taxes, where the government has taken under its control a large part of the production and consumption system, how could it be possible to solve the inevitable

problems of such a complex economy without planning through state intervention?

If a charge is to be laid against the government, it is for not having set up this development board a long time ago. It is obvious that in order to ensure the rational and fair development of the whole country, guidance must come from the central authority.

One of the most loathesome aspects of the present unemployment crisis in Canada is the fact that this social evil seriously affects some regions of the country, whereas in others there is almost full employment and a measure of prosperity. That is where guided development could help the regions hardest hit by unemployment and business stagnation.

(Text):

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

The Deputy Chairman: Order. It being ten o'clock shall I rise, report progress, and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Clause 1 stands.

Progress reported.

Business of the House

BUSINESS OF THE HOUSE

Mr. Pickersgill: Mr. Speaker, before you leave the chair, I wonder whether the house leader could give us an indication of what business the government will be bringing forward for the rest of the week?

Mr. Churchill: The business for tomorrow, Mr. Speaker, will be the continuation of the program which I announced on Friday night, namely this bill, followed by the Freight Rates Reduction Act measure, followed by the national productivity council.

Mr. Pickersgill: I wonder if I could ask the minister whether he could give us an assurance that during the course of the week the external affairs estimates would be called, so that we can debate the repudiation by the Minister of National Defence of the Prime Minister?

Mr. Speaker: Order. This is not a debate.

Mr. Pickersgill: I am asking for an assurance about the spending program of this government.

Mr. Speaker: Order; no comments.

It being two minutes after ten o'clock, the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, January 29, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. KNOWLES—REFUSAL OF PERMISSION TO ATTEND WITH DELEGATION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. There appeared in this building this morning a delegation headed by the government of my province of Manitoba, with which were associated other organizations representing the citizens of my province. As a citizen of Manitoba and as a representative of hundreds of people affected by the matter concerning which this delegation came to Ottawa, I wished to associate myself with it, but I was barred from entry to the room where this delegation was making its presentation. In addition I know that the hon. member for Winnipeg North (Mr. Orlikow), the hon. member for Winnipeg South (Mr. Chown), the hon. member for St. Boniface (Mr. Teillet) and perhaps others were also barred. I protest against this action.

(Translation):

Mr. R. J. Teillet (St. Boniface): Mr. Speaker, I wish to support that protest.

It seems to me that, in such a case, where an important delegation from Manitoba came here this morning and submitted a brief to the ministers of the crown, without the elected representatives of Manitoba being given the opportunity to be present and to assist that delegation, it is fitting that I join with the hon. member for Winnipeg North Centre (Mr. Knowles) in protesting against such an action.

(Text):

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, the delegation led by the cabinet minister from Manitoba and supported by representatives from a great many organized bodies in Manitoba appeared this morning to present, to representatives of the cabinet, a brief on behalf of persons concerned with the problem connected with T.C.A. in the province of Manitoba.

This is only one of hundreds of delegations that have appeared here over the years to make presentations to the cabinet, or to representatives of the cabinet, and the custom and practice has always been to hold these meetings in camera.

Mr. Knowles: That is not true.

Mr. Churchill: In this particular instance the Manitoba members were notified that if they would appear at 11 o'clock they would have an opportunity to meet with the delegation. They accepted the invitation; they did appear, and I was there at the time they were present.

Mr. Knowles: Mr. Speaker, I rise on another question of privilege.

Mr. Speaker: We must first of all deal with the first one. Somehow I do not feel this is a true question of privilege. It may be a matter of grievance, but I do not feel it is a question of privilege affecting hon. members in the house. If the hon. member on some other occasion wishes to raise a question of grievance, the choice is his.

Mr. Knowles: Mr. Speaker, I rise on another question of privilege. It has been stated that the Manitoba members were invited to a meeting at eleven o'clock and that those of us who wished to do so attended that meeting. This is true; but this invitation was not extended to us until after we had been debarred from the other meeting.

Mr. Speaker: Order. This also is not a question of privilege but just a dispute as to facts, which does not give rise to a question of privilege within the sense of privilege as it is applied in this house.

NATIONAL DEFENCE

NUCLEAR WEAPONS—REPORTED CABINET DIFFERENCES IN REGARD TO GOVERNMENT POLICY

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether, in view of exchanges in the house yesterday and statements which have appeared, he wishes to make a statement to the house now on reported differences between himself and the Minister of National Defence on vital aspects of defence policy.

Inquiries of the Ministry

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I have nothing to add to what I said yesterday.

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask a supplementary question of the Minister of National Defence—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I should like to hear the supplementary question. There was some static in the chamber.

Mr. Martin (Essex East): Would the minister indicate to the house, with regard to the negotiations mentioned in the third paragraph of his so-called statement of clarification released to the press yesterday, whether the negotiations are being carried on by officials in the Department of National Defence, by officials in the Department of External Affairs, or by officials in both departments.

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, the general purport and tenor of this question is the same as the question asked yesterday, to which I replied—and I repeat the reply—that I do not think it has ever been the custom to state exactly how negotiations are going on and what are the exact terms of the negotiations, until they are concluded and an announcement can be made.

Mr. Martin (Essex East): In answer to that, Mr. Speaker, and on a point of order, the question yesterday had to do—

Some hon. Members: Order.

Mr. Fleming (Eglinton): That's no point of order.

Mr. Martin (Essex East): —with who was conducting the negotiations. Today I have asked, which departments?

Mr. Speaker: Yes, but the minister has chosen to answer. He gave an answer, and that is it.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the Prime Minister whether the statement issued yesterday by the Minister of National Defence, which the Prime Minister has now had an opportunity to read, accurately reflects the policy of the government regarding the acquisition of nuclear weapons for Canada?

Mr. Diefenbaker: Mr. Speaker, as I made perfectly clear yesterday, I do not intend to go further in that direction. I made the statement on Friday as to the position of the government, and that position stands.

Mr. Benidickson: Ambiguous.

[Mr. Pearson.]

Mr. Pearson: Mr. Speaker, may I ask the Minister of National Defence whether he will confirm his statement that Canada has been negotiating with the United States for the past two or three months in order that nuclear warheads will be made available for the CF-101 interceptor squadrons.

Mr. Harkness: Mr. Speaker, I think the statement is perfectly plain and clear, and it so states.

Mr. Pearson: A supplementary question to the Prime Minister. Will the Prime Minister, then, confirm what he said, as reported at page 3132 of *Hansard* for last Friday, that these aircraft, the CF-101's, will be armed with conventional weapons?

Mr. Speaker: Order. I think the Leader of the Opposition will recognize that he may not ask questions referring to previous debate in this session.

Mr. Raymond Langlois (Megantic): I should like to address this question to the Minister of National Defence. Is it a fact that General Norstad has stored samples of nuclear weapons in the cellar of the Leader of the Opposition's house?

Mr. Speaker: Order. These somewhat frivolous interventions do not lead to any advancement of the business of this house.

Mr. David Lewis (York South): I should like to address a question to the Secretary of State for External Affairs. Would the hon. gentleman please inform the house whether he saw the statement issued by the Minister of National Defence and, if so, now that he has read it, if he agrees with the position outlined in that statement as being the policy of the government with respect to nuclear weapons.

Hon. Howard C. Green (Secretary of State for External Affairs): I suggest that that is not a proper question for orders of the day.

Mr. Douglas: A supplementary question—

Mr. Speaker: I wonder how we could get any clarification of that answer. After all, that is the purpose of supplementary questions.

Mr. Douglas: Mr. Speaker, we are having the same difficulty as Your Honour in getting clarification of that answer.

Mr. Speaker: I am not suggesting that the question may need some clarification, but the answer that was given. That is the purpose of a supplementary question as I apprehend it. An hon. member asking a supplementary

question is, really, taking the place of another member who would have the right to the floor. There may be a following question on the general subject.

Mr. Martin (Essex East): Then I should like to address a question to the Minister of National Defence. In view of the statement made a moment ago by the Prime Minister that the speech which he delivered in this house on Friday represented government policy, and in view of the statement made by the Minister of National Defence in a press release which contradicts that policy—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): —may I ask the hon. gentleman—

Mr. Speaker: I think the hon. member will realize on reflection that he is expressing an opinion. His comment on the question of contradiction is a matter of opinion. I think the hon. member will be able to rephrase his question.

Mr. Martin (Essex East): May I, with regard to a matter so important as this, involving a clear division of opinion within the cabinet—

Some hon. Members: Order.

Mr. Martin (Essex East): —point out to Your Honour that the statement which was made on Friday last represented in its entirety the policy of the government of Canada with regard to defence matters. May I point out, too—

Some hon. Members: Order.

Mr. Martin (Essex East): —that the Minister of National Defence issued a press release which contradicted that statement. In the face of this situation am I not entitled to ask the Minister of National Defence, in view of this clear division of opinion, if he does not think he ought to observe the time honoured practice in such circumstances and resign?

Mr. Speaker: Order. The hon. member will, I think, agree with me that his conclusion as to the statement made by the Minister of National Defence represents an opinion. It may be shared by others but it may, also, not be shared by others. It represents an opinion, and as such is contrary to the provisions of standing order 39. The hon. member has a great deal of experience and could, I have no doubt, rephrase his question so that it would not contain an expression of opinion.

Mr. Pearson: On the point of order, Mr. Speaker, you have indicated we may not direct a question which represents mere opinions. But when I attempted to produce some evidence to support the contention that there was a contradiction, by quoting from the statements made by the Prime Minister and by the Minister of National Defence, you ruled that to be out of order.

Mr. Speaker: I was not ruling out the evidence. I was ruling on a matter of reference to a speech in debate in this current session, which is clearly out of order. Those are the rules within which I am working. These are the rules within which I shall work.

Mr. Douglas: Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. I should like to ask him whether it is his intention to issue a statement clarifying the statement made by the minister of defence, which in turn clarified the statement made by the Prime Minister.

Mr. Speaker: Order. I think paragraphs 1 and 2 of citation 171 might have some bearing on this type of question.

(Translation):

[*Later:*]

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Prime Minister. Could the Prime Minister allow the Canadian parliament to hear General Norstad expain the Liberal party's policy on nuclear weapons?

Mr. Speaker: Order. The hon. member will no doubt realize that the remarks I made a moment ago about a question that was asked apply also to his own.

(Text):

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Are the negotiations to which he refers in his statement the same negotiations referred to by his predecessor about three years ago, or are they a new development in the consistent policy elucidated by the Prime Minister.

Mr. Harkness: Mr. Speaker, these are a new set of negotiations, as I said, started upwards of three months ago.

[*Later:*]

Miss Judy V. LaMarsh (Niagara Falls): I have a question to address to the Minister of National Defence. In the light of Canada's reported pallid non-participation in the NORAD alert during the Cuban crisis, can the minister advise the house whether the United States government or the Canadian

government instigated the new set of negotiations to which he has referred?

Mr. Harkness: I did not catch the purport of the question, I am sorry.

Miss LaMarsh: I am glad to repeat it, Mr. Speaker. In the light of Canada's reported pallid non-participation in the NORAD alert at the time of the Cuban crisis, can the minister advise the house whether the United States government or the Canadian government instigated the new set of negotiations to which he has referred, and which have taken place since October last?

Mr. Harkness: I take most serious objection to the proposition put forward in the guise of a question by the hon. member. So far as the actual question is concerned, as contained in the last few words, Canada initiated the matter.

NATO—CANADIAN PARTICIPATION IN NUCLEAR WEAPONS TALKS

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. Can the minister tell the house whether Canada is represented and is participating in the discussions being held this week in Paris among NATO members with Mr. Livingston Merchant regarding a proposed multinational nuclear NATO force?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, Canada has a permanent representative at NATO and she will be represented in any discussions that take place in the NATO council.

(Translation):

[*Later:*]

LECTURE IN ENGLISH TO GROUP SPEAKING FRENCH ONLY

On the orders of the day:

Mr. J. A. Roy (Levis): Mr. Speaker, my question is directed, I think, to the Associate Minister of National Defence, and I beg his pardon for not having given him notice.

Is the minister aware that an English speaking lecturer, employed by the government, went to Valcartier to give a talk in English to a group of French Canadians who did not speak English?

Mr. Speaker: I think the hon. member will admit that it is not the time, on the orders of the day, to ask such a question.

[Miss LaMarsh.]

(Text):

TRADE

EUROPEAN COMMON MARKET—REQUEST FOR STATEMENT ON ENTRY OF GREAT BRITAIN

On the orders of the day:

Mr. R. G. L. Fairweather (Royal): Mr. Speaker, I wonder whether the Prime Minister would bring the house up to date on the present situation regarding the possibility of Great Britain entering the European economic community.

Mr. Speaker: I think this is asking—

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in view of the question from the hon. member—

Some hon. Members: Order.

Mr. Diefenbaker: —at the end of the question period, if the house would agree, I would be prepared to make a statement on this matter.

Mr. Speaker: There was no question of order here. The Prime Minister simply made the reply that if the house gives permission he might make a statement at the end of the orders of the day. That will be entirely up to the house at that time.

[*Later:*]

Mr. Diefenbaker: Mr. Speaker, in view of the question that was asked I do not know whether the house would wish to have a short statement in this regard. I had not intended to make one originally, but as the question was asked I wondered whether the house wished me to make one now.

Mr. Speaker: I regret that I forgot the indication during the earlier part of the question period that the Prime Minister wished to revert to motions. Is that agreed?

Some hon. Members: Agreed.

Mr. Diefenbaker: Mr. Speaker, as hon. members know, in so far as the Six are concerned the negotiations which have been going on in Paris since October, 1961 terminated today, at least for the time being. The latest information I have in that connection is that the five members other than France continued some discussion this afternoon following the conclusion of the negotiations among the Six. This naturally becomes a matter of very considerable moment to our country and to the countries of the free world as to what course should be adopted at this time.

The attitude taken by this government in regard to British entry was set out in the

statement which I made to the prime ministers' conference in September last, in which I stated:

> We wish to emphasize first of all that the decision regarding the entry into E.E.C. is one for Britain and Britain alone, after the consultation which this meeting has made possible and such further consultation as may be desired.
>
> The Canadian government is not taking a position on whether or not the U.K. should enter the common market because we respect the right of Britain to take this decision herself. We have been invited to tell the British government of our assessment of the effects of such a decision upon Canadian interests and we have done so. There are many other considerations involved in this decision which only the British government and the British parliament can take properly into account.

At that time I proposed that whatever the outcome of this conference might be, an invitation should be extended "to all member nations of the commonwealth, of the E.E.C., E.F.T.A., the United States of America and Japan and other like minded nations indicating a desire to participate, to meet at the earliest practicable date to give consideration to how to deal with the trading problems before us in a way which will be to the mutual advantage of all". Then I said this:

> This should prepare the way for the prospective non-discriminatory tariff negotiations on a most favoured nation basis.

Then I pointed out the following:

> I believe that this would offer a practical contribution to the solution of our difficulties which will advance the strength of commonwealth association, will permit the common market to proceed with the expansion of its own activities, and will bring to bear the immense trading capacity of the U.S.A. and Japan.

As the house knows, subsequently I brought this proposal to the attention of the President of the United States and it was accepted. I referred to that on October 16 last and some discussion took place at that time. In connection with this meeting suggested by me and accepted by the President of the United States, in which Canada and the United States joined, the council of GATT will be meeting in a few days for the purpose of deciding on the ministerial meeting. I think in view of what has taken place in Brussels today everything should be done to speed up the holding of the ministerial meeting so that these various like minded nations that I have named, together with the commonwealth countries, the European economic community, and the European free trade association can meet together.

As far as the commonwealth is concerned, today I had a conversation with the Prime Minister of the United Kingdom in this regard. Consultations I am sure will be continuing now among the various member nations of the commonwealth as to what would be the appropriate course to take within the commonwealth without in any way derogating from the ministerial meeting which, although it was generally agreed in the last few days that it could not take place before April 1, might be advanced to a considerably earlier date.

I hope to be in the United Kingdom on February 25, and at that time there will be an opportunity to consult with the British government on this matter, particularly with regard to the commonwealth. After all, as I said in September, the decision was for Britain. Britain has now, apparently, found it impossible at this time to join on terms that would have safeguarded to any degree the commonwealth relationship and commonwealth preferences. That being so, no time must be lost in bringing together, by consultation, the various parts of the commonwealth in order that full and informal discussions, to begin with, may take place without delay and also, at the same time, to do everything we can to expand multilateral trade in all parts of the world through the medium of discussions and conclusions reached at the ministerial meeting of GATT.

Hon. L. B. Pearson (Leader of the Opposition): The Prime Minister has just made a statement on a matter of the greatest possible importance, and it is to be regretted that circumstances do not permit the kind of discussion of this subject which its importance, both immediate and ultimate, would justify.

The attitude of the opposition toward the negotiations which have been going on for months with a view to the United Kingdom joining the European common market has been clearly expressed, I believe, on many occasions. We on this side have from the beginning been sympathetic to this development, though agreeing with the Prime Minister that it is, of course, a matter for the decision of the United Kingdom alone. We were sympathetic, and we favoured this development if it could be brought about on suitable terms and under suitable conditions; because we on this side felt that the United Kingdom as a member of the European common market would help to ensure that the coming together of Europe both economically and politically would be brought about in a way which would not be inward looking or exclusive but so as to encourage the removal of obstructions between the new organization and the outside world. We thought British membership would have an important and desirable effect in the right direction.

We also supported the move because we thought it would be a further step in the

development of the Atlantic community, and that based on this Atlantic community the best possible arrangements could be made with other countries in what we called the free world. It would appear there has been a setback to this development, a setback which even now, we must hope, will not be permanent. Any one member of the European community which accepts responsibility for keeping the United Kingdom outside of the European community is taking a heavy responsibility on itself.

When the Prime Minister said on Friday last, as reported on page 3126 of *Hansard*—

> The agreement signed in Paris (between President de Gaulle and Dr. Adenauer) represents a forward step which would never have been contemplated ten years ago.

—I found myself at that time disagreeing with his analysis of that particular agreement. However, the information today is that there has been a serious setback. The Prime Minister has rightly said, what can we do now in the commonwealth and, indeed, in the free world to ensure that this setback is not a permanent one in its effect on bringing about better relations among all countries, not only in trade but in other ways. The Prime Minister has talked about the GATT ministerial meeting. That meeting is an essential process, more essential now, perhaps, than it was. It must be remembered that a preparatory committee in connection with this meeting was set up nearly a year ago. It is to be hoped that this preparatory work can be brought to a conclusion with the least possible delay.

The development made known today is bound to have an important effect on the United States trade expansion act because that act was predicated upon the United Kingdom becoming a member of the European common market. If the United Kingdom should now be kept out of that market, the President of the United States will have to amend in some respects the trade expansion program act passed by congress last year. It is to be hoped that this will give the Canadian government an opportunity to share in any changes which may have to be made to that act so that we may associate ourselves, even at this stage, with the United States in the negotiations which may be required, through GATT, with the European common market, even without the United Kingdom. Such negotiations however will have to include the United Kingdom and other members of the commonwealth as well.

Mr. R. N. Thompson (Red Deer): I believe everyone of us in this house has watched with intense interest the development of the situation in Europe as it relates to the entry of Britain into the European common market.

We are concerned with the action which has been taken on the part of the president of France and by the apparent inability of the British negotiators to make their point with the European economic community council.

This is not the time to enter into a debate on this topic nor is it the time when we should be looking backward at things which might have happened or at things which might have been done. I believe it is our duty to evaluate the situation with regard to our own responsibilities and the part Canada herself can play in this situation.

This does not relate so much to Britain and her relationship with the E.E.C. or to the affairs of the other nations which compose that organization. It brings us back to the fact that we in the commonwealth have a definite responsibility. I think it would have been to our advantage had we, last fall, called for a commonwealth trade conference and moved forward with that project. I believe that at the present time the moment is opportune for such a move to be made. In fact it is urgent that Canada should take the lead in this regard. For too long we have stood back and waited to see what someone else proposed to do before we acted. We should be taking the lead now by calling the commonwealth together in a trade conference. We have an economic committee already set up which could do this work.

I believe we could do more to help Britain in her problem, as well as helping Canada, and I hope the government will take action along these lines as quickly as possible. We should, I believe, take a sympathetic attitude toward the problem which faces Britain, but it is about time we in Canada did something not only to help her but to help ourselves and to help the free association of nations which we now have in the commonwealth.

Mr. T. C. Douglas (Burnaby-Coquitlam): The rejection of the British application for membership in the European economic community will have far reaching repercussions for the United Kingdom and for the world, as well as for Canada as an important exporting nation.

On this day when there will be a good deal of disappointment in many quarters it should not be forgotten that when the treaty of Rome was signed in 1957 Britain could have entered the European common market without any difficulty whatsoever, and that she refused to do so rather than destroy the commonwealth preference system because she felt she had an obligation to the other members of the commonwealth. We should keep that in mind and remember that Britain made a serious sacrifice in order to preserve the commonwealth ties and to retain the commonwealth

preference system. Now that she has been rejected it should also not be forgotten that this rejection arises out of the fact that General de Gaulle has sought increasingly to direct the European economic community inward rather than outward in its outlook. This, in my opinion, will destroy the European common market, because I do not think this inward look is shared by the other members of the European common market.

The Prime Minister has said that we must now decide what we are going to do. This is not the proper time to debate the matter. However, I want to say very briefly that there are three things which ought to be done. First of all, we ought to be doing more to adjust the balance of trade between Canada and the United Kingdom. Some four or five years ago, when visiting the United Kingdom, the Prime Minister talked about transferring 15 per cent of our trade from the United States to the United Kingdom, that this would solve the imbalance from which Canada and the United Kingdom both suffer. It is true that imports from the United Kingdom have increased, but exports have increased even more, so that today Great Britain continues to buy from us 50 per cent more than we buy from her. This is something which ought to be receiving the attention of the government and of this parliament.

The other matter is that I think the government ought to go back and see whether or not the United Kingdom is prepared to resubmit the proposal she made for a free trade agreement between Canada and Great Britain, that proposal which the government rejected out of hand in 1957. I think this could be extended to the entire commonwealth if the proper negotiations were proceeded with.

Third, I suggest that this is a time for the government to open negotiations with the United States to discuss the implications of the trade expansion act. The Prime Minister has spoken about the GATT ministerial conference. Such a conference will have merit, but surely anyone who is familiar with the problems of GATT will be aware of the fact that this is a long process of negotiation, and that the immediate hope lies first in helping to reduce the imbalance of our trade with Britain; second, in getting greater free trade within the commonwealth; and third, in entering into negotiations for freer trade with the United States under the provisions of the trade expansion act. If the European common market can be persuaded—which I doubt —by General de Gaulle to go it alone, then the commonwealth, the United States and the other parts of the world must make their trading arrangements accordingly.

Inquiries of the Ministry

(Translation):

LABOUR CONDITIONS

INCREASED FEDERAL PARTICIPATION IN WINTER WORKS PROGRAM

On the orders of the day:

Mr. Gerard Laprise (Chapleau): Mr. Speaker, in view of the present state of emergency I should like to put a question to the Minister of Labour. Would the minister tell the house whether he intends to announce soon a better government participation in the program for encouraging winter works?

(Text):

Hon. Michael Starr (Minister of Labour): If I understood the hon. member correctly, Mr. Speaker, he wanted to know whether there would be better participation in the winter works program. This winter works program is far in excess of any program of past years, and it is growing by the day.

(Translation):

QUEBEC—REQUESTS FROM UNORGANIZED MUNICIPALITIES

On the orders of the day:

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Would the minister tell the house whether he has received from the Quebec government a request of co-operation in regard to communities which are not organized in municipalities, and which cannot now participate in the winter works incentive program?

Mr. Speaker: I think the hon. member should have his question put on the order paper.

(Text):

TRANS-CANADA AIR LINES

REQUEST FOR STATEMENT RESPECTING TRANSFER OF FACILITIES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs, of which I gave him public notice in room 238-S at twelve o'clock today. Will he make a statement to the house as to the government's position with respect to the representations made this morning by the delegation from Manitoba concerning the proposed removal of the T.C.A. overhaul base from Winnipeg, and will he assure that delegation and Manitoba that any moves will be arrested pending further consideration?

Mr. Speaker: Order. The hon. member is making representations. I will hear the question so far as making a statement is concerned.

Inquiries of the Ministry

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I will be very pleased to answer this question in the name of my colleague if you give me permission.

Some hon. Members: Go on.

Mr. Balcer: Mr. Speaker, following the very interesting meeting that we had this morning with this delegation from Manitoba I got in touch with the president of T.C.A., and following our conversation it was decided that no transfer at all will be made from Winnipeg to Montreal of any T.C.A. employee pending full consideration and investigation of the whole matter by a cabinet committee and a committee of the board of directors of T.C.A.

FISHERIES

ESTABLISHMENT OF BASE LINES TO PROTECT CANADIAN FISHERMEN

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, I should like to address a question to the Minister of Fisheries. Has the government given any consideration to the establishment of base lines from headland to headland to protect the rights of Canadian fishermen on the east and west coasts?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, the government hears briefs on this matter from time to time from various interested groups. It is a matter which has been very actively under consideration for a number of years on an international basis, and is under active consideration at the present time.

Hon. J. W. Pickersgill (Bonavista-Twillingate): I wonder whether I could ask a supplementary question of the minister. Could the minister tell us whether any negotiations are going on at the present time with the government of any other country with respect to the establishment of a 12 mile fishing zone?

Mr. MacLean (Queens): Mr. Speaker, this is a question which should be directed to my colleague the Secretary of State for External Affairs. My department does not deal with foreign countries.

Mr. Pickersgill: Then I should like to direct the question to the Secretary of State for External Affairs.

Hon. Howard C. Green (Secretary of State for External Affairs): There have been discussions going on on this question from time to time, Mr. Speaker.

Mr. Pickersgill: I think perhaps the minister did not hear my question. I asked whether there were any discussions going on at the present time. Can the minister say whether there are or are not any going on at the present time?

Mr. Green: I said there were discussions going on from time to time.

Mr. Pickersgill: But not now.

Hon. Paul Martin (Essex East): May I ask a supplementary question. Are these discussions between officials of the Department of External Affairs and the foreign power?

Mr. Green: The hon. member knows better than to ask that question, Mr. Speaker.

Mr. Martin (Essex East): Mr. Speaker, I rise on a question of privilege. A few moments ago I asked a question of the Minister of National Defence as to which department of the government, defence or external affairs, was carrying on negotiations in connection with the matters mentioned in paragraph 3 of the minister's release of yesterday. The minister said it would be improper for him to make a reply as to which department. We now have from the Secretary of State for External Affairs a reply which clearly indicates that it is not an improper question. I therefore say to you, Mr. Speaker, it is a violation of the privileges of this house for the Minister of National Defence to have denied this house that information.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I think the hon. member has had sufficient experience to recognize the fact that he may not comment on answers that are given, even though they may be quite unsatisfactory to him or to others.

NORTH PACIFIC FISHERIES COMMISSION—INQUIRY AS TO RECOMMENDATIONS

On the orders of the day:

Mr. Barry Mather (New Westminster): I should like to direct a question to the Minister of Fisheries. In view of the reported impending departure of Canadian fisheries department officials for Tokyo to discuss regulations under which Japanese fishing vessels may catch halibut in the Bering sea, and in view of the fact that Canadian halibut fishermen as well as United States halibut fishermen are opposed to the north Pacific commission recommendation permitting Japanese fleets to harvest halibut in this area, has the minister already decided to approve the controversial recommendation or will the matter be referred to the standing committee on marine and fisheries, as requested by the representatives of the government of British Columbia?

Hon. J. A. MacLean (Minister of Fisheries): I have nothing to add to the reply I gave yesterday, except that the delegation which goes to Tokyo on February 5 has nothing to do with whether or not the recent findings of the international north Pacific fisheries commission, which is created under the international north Pacific fisheries convention, are approved by the government.

Mr. Frank Howard (Skeena): I wonder if the minister does not think this question is of such urgency it would move even this government out of its lethargy and the matter would be referred to the committee on marine and fisheries.

Mr. Speaker: Order. The hon. member is making representations and expressing his own opinion.

[*Later:*]

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I wish to direct a question to the Minister of Fisheries in relation to the international north Pacific treaty. In the light of the fact that we have a delegation of fishermen here today, and that representatives of the industry are also here, would he give most earnest consideration to referring this matter to the committee on marine and fisheries while they are still here?

Mr. MacLean (Queens): Mr. Speaker, the delegation from the fisheries council presented a brief to representatives of the cabinet yesterday and, as the hon. member knows, another delegation has been here yesterday and today and their representatives are being heard. So far as the treaty is concerned there is nothing before the house with regard to it, and it would be for the decision of the house as to what is referred to a committee.

Mr. Frank Howard (Skeena): I wish to address a supplementary question to the parliamentary secretary to the Prime Minister in his capacity as chief government whip. Has he made arrangements for the use of Senate committee room 356-S tomorrow at three o'clock for the fisheries committee or for some other fisheries groups?

Mr. Theogene Ricard (Parliamentary Secretary to the Prime Minister): Mr. Speaker, so far as I know, no.

POWER

COLUMBIA RIVER—INQUIRY AS TO SETTLEMENT OF TREATY

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): Mr. Speaker, I should like to direct a question to the Minister of Public Works, but first I wish to congratulate him on his election to the leadership of the Conservative party.

Some hon. Members: Hear, hear.

Mr. Byrne: Having said that, I wonder whether the hon. gentleman would tell the house if one of the very important items he wishes to clear up before leaving the department would be the final settlement of the Columbia river treaty?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, first of all I should express my appreciation to the hon. gentleman for his very kind words and to the members of the house for their reception of them. The general warmth of the reception moves me to wish that all those here were going to be future electors in the province of British Columbia. I might even be encouraged to anticipate a more favourable reception on the part of the hon. member for Kootenay East.

The desire to see a clarification and resolution of the Columbia problem is always in my mind and foremost in my effort. I only hope that it will not be necessary to await certain electoral outcomes in British Columbia in order to do that.

EXTERNAL AFFAIRS

WEST GERMANY—FINAL DATE FOR DISPOSITION OF WAR CLAIMS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. It may not appear to be of national importance or urgent; however, it is national in scope and is very urgent to some Canadians. Has the Canadian government received notice from the West German government that it has set a final date for the disposition of all claims that the victims of nazi persecution might have against it? If so, have Canadian citizens with unsatisfied claims for nazi persecution been notified of this decision?

Mr. Speaker: I wish to thank the hon. member for having cleared this matter with me first. I have indicated, and I am still of the same opinion, that this question would be better put on the order paper. There is no great urgency to have the information at this moment.

Mr. Herridge: With all due respect, Mr. Speaker, you are not fully aware of the circumstances. This matter does involve—

Mr. Speaker: The hon. member can get his question on the order paper.

Mr. Knowles: It could take weeks to get an answer.

Inquiries of the Ministry

BUSINESS OF THE HOUSE

REQUEST FOR SETTING UP OF EXTERNAL AFFAIRS COMMITTEE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I should like to ask the Prime Minister whether he would take steps—and by unanimous consent he can do so today—to set up the external affairs committee so that it could meet at once to discuss the negotiations on defence policy and the Columbia river treaty.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think the committee has been constituted. A discussion took place in connection with external affairs and defence the other day. I suggest to the Leader of the Opposition that he speak with his colleagues and advance legislation now before the house; then we would be better off.

Mr. Speaker: Order. We are not going to get into a debate on this matter.

ELECTIONS ACT—AMENDMENT TO REDUCE TIME REQUIRED

On the orders of the day:

Mr. John A. Addison (York North): I should like to direct a question to the Prime Minister. In view of the widely circulated reports of the possibility of an early election, is it the intention of this government to introduce an amendment to the Canada Elections Act reducing the number of days required to hold a general election?

Mr. Speaker: Order. Both points are hypothetical.

RAILWAYS AND SHIPPING—RESIGNATION OF COMMITTEE CHAIRMAN

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I wish to ask a question of either the Minister of Transport or the house leader. My question is occasioned by the resignation of Hon. Earl Rowe, who was chairman of the sessional committee on railways and shipping. Since the committee has not finished its work I would like to ask either minister, whichever one has the responsibility, to give some indication as to how and when the committee will proceed in this situation?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I understand that this is a matter for the committee itself to decide. I shall be pleased to raise the matter with our whip and with the vice chairman of the committee, and provide an answer to the hon. member on it.

[Mr. Knowles.]

(Translation):

CANADIAN NATIONAL RAILWAYS

REQUEST FOR RESIGNATION OF DONALD GORDON

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Prime Minister.

Following the investigation concerning the employment of French Canadians within the C.N.R., has Mr. Donald Gordon given orders for his own resignation?

Mr. Speaker: Order. The hon. member will agree that his question is out of order at this time.

INQUIRY AS TO INVESTIGATION INTO STAFF

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, may I direct a question to the Minister of Transport (Mr. Balcer)? Could the minister tell us if he has received a report of the investigation to be made by Mr. Gordon about the personnel of the C.N.R.?

Hon. Leon Balcer (Minister of Transport): I have nothing to add to what I said a while ago.

Mr. Gregoire: A supplementary question, Mr. Speaker. Could the Minister of Transport get in touch with the president of the C.N.R. so that we might get that report as soon as possible?

Mr. Speaker: The hon. member is making representations.

Mr. Gregoire: I did not intend to make representations, Mr. Speaker. I wanted to obtain information about the investigation now in progress in the C.N.R.

Mr. Speaker: You have that information now.

(Text):

UNEMPLOYMENT INSURANCE

REPRESENTATIONS RESPECTING AMENDMENTS TO ACT

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): I should like to direct a question to the Minister of Labour, to ask the minister if before the final draft of suggested amendments to the Unemployment Insurance Act is made, labour and other groups will be consulted and asked to make recommendations.

Hon. Michael Starr (Minister of Labour): I am sure those who are interested in the recommendations and eventual amendments that will be presented to the house will have an opportunity to express their viewpoints.

NATIONAL REVENUE

CAMPOBELLO, N.B.—REQUEST FOR 24 HOUR SERVICE ON BRIDGE

On the orders of the day:

Mr. H. J. Robichaud (Gloucester): I should like to direct a question to the Minister of National Revenue. Can the minister advise the house whether the chief inspector of customs designated by him to investigate the Campobello bridge situation has completed his survey and reported on his findings? If so, is the minister now in a position to reconsider his decision and have the bridge reopened for 24 hour traffic?

Mr. Speaker: Order. I think this problem still remains in the category of information that is not urgently required at the present time. The hon. member can put his question on the order paper and be provided with the information.

Mr. Robichaud: I was instructed by the Chair on Thursday last to place a similar question on the order paper. Within a few minutes the question was placed on the order paper following such instructions, but when questions were called yesterday I did not receive any answer. This is an urgent matter which concerns 1,400 residents of the island.

Mr. Speaker: It may be of some urgency. I think it is recognized that there are some things that are urgent to a lot of people—

Mr. Robichaud: The minister should stand up to answer questions once in a while.

Mr. Speaker: Order.

Mr. Robichaud: It is the Minister of National Revenue who is answering the question while sitting down.

Mr. Speaker: Order.

Mr. Robichaud: On a question of privilege, Mr. Speaker, it is the Minister of National Revenue who is answering my question without standing up.

Mr. Speaker: There have been a lot of questions and answers by people who did not have the floor, but the Chair is not aware of them.

(Translation):

TRADE

CANADIAN PARTICIPATION IN NEW YORK WORLD FAIR

On the orders of the day:

Mr. Andre Bernier (Richmond-Wolfe): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce.

Could the minister tell the house whether the proper authorities have invited Canada to participate in the world fair which will be held in New York in 1964?

Mr. Speaker: Order. The hon. member will undoubtedly agree that his question could easily be placed on the order paper since it deals with an event which will take place in the rather remote future.

(Text):

TRANSPORT

WELLAND CANAL—INQUIRY AS TO IMPOSITION OF TOLLS

On the orders of the day:

Mr. James C. McNulty (Lincoln): I should like to direct a question to the Minister of Transport. Can the minister inform the house whether the government is considering reversing the position taken by the Prime Minister on June 15 last as to reinstating the tolls on the Welland canal, in view of the statement by Dr. Pierre Camu, vice president of the seaway authority on Monday, January 21, that St. Lawrence seaway tolls are expected to be revised.

Mr. Speaker: Order. I think the hon. member will recognize he is inviting a controversy, and also asking the minister to comment on a statement made by a person outside of this house, which is quite wrong.

INQUIRY AS TO AMENDMENT TO RAILWAY ACT

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Prime Minister and ask him what has happened to the bill which, on January 21, he said would be introduced and placed on *Votes and Proceedings,* having to do with an amendment to the Railway Act based on the recommendations of the royal commission on transportation?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, that bill has been drafted, but after consultation with the premiers of the western provinces a request was received from them, and also from other interested groups in the western provinces, for an opportunity to discuss generally some of its terms. I think that meeting is to take place this coming Friday.

Inquiries of the Ministry

POST OFFICE DEPARTMENT

INQUIRY AS TO STATEMENT BY ASSOCIATION OF EMPLOYEES

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, may I direct a question to the Postmaster General, but before I do so may I remind the house that yesterday was her birthday anniversary. I know that it is not very polite to remind a lady that she has got older, but in this case it is polite because it does not show. I wish her health and happiness, in a sick and unhappy government.

Is the Postmaster General aware of the statement issued last week end by the executive of the federated association of postal employees after a week of deliberations and, if so, will she comment on it?

Hon. Ellen L. Fairclough (Postmaster General): Mr. Speaker, I am afraid I do not know the statement to which the hon. member refers. I would be pleased to answer him, particularly in view of his complimentary remarks, but I am at a loss to know what it is to which he refers. If he would like to send me a message—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. In any event I think any comments on such a report might not be quite in order at this time, but after all those complimentary remarks perhaps anything was fair to the hon. member.

(Translation):

FINANCE

REQUEST FOR INCREASED FAMILY ALLOWANCES

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, my question is directed to the Prime Minister.

Does the government accept the principle of an increase in family allowances?

Mr. Speaker: That question is one of policy and a rhetorical one at the moment.

HOUSE OF COMMONS

TRANSLATION INTO FRENCH OF WORK BY BEAUCHESNE

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): On a point of order, Mr. Speaker. In view of the tremendous number of questions from this corner of the house that are ruled out of order, could not the printing of the French edition of Beauchesne's be speeded up?

[Mr. Diefenbaker.]

Mr. Speaker: It seems to me one has but to study the official report to know the kind of questions that are to be asked at this stage of the proceedings.

(Text):

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INQUIRY AS TO INTRODUCTION OF NEW LEGISLATION

On the orders of the day:

Miss Judy V. LaMarsh (Niagara Falls): Mr. Speaker, may I direct a question to the Secretary of State. Can the minister give a progress report to the house on the present circumstances with respect to the copyright act, which was promised by his predecessor during the last session?

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, there is a committee of officials in my department studying it at the present time. I understand that this same act in Great Britain was under study by a committee for some four years before it was brought into the house.

Miss LaMarsh: As a supplementary question, for the information of the Secretary of State will he inquire in his department as to whether this matter has not now been under study since the report of the Ilsley royal commission, which was handed to the then government in 1958?

PUBLIC SERVICE

INQUIRY AS TO PAY REVIEW FOR CERTAIN CLASSES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. My question is based upon the assurance he gave the house just before we recessed for Christmas with regard to those categories of civil servants for whom no increases were provided in the announcement on December 10. Particular reference was made to post office employees and to customs and excise officers. Can the minister say whether he is yet able to report on the review promised with respect to these employees?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, I do not recall exactly the answer to which the hon. member refers. During the recess I had consultations with representatives of the various unions, the mail carriers and postal clerks. Discussions have been going on with respect to these matters. As the hon. member well knows, the civil service commission will make a recommendation, which the minister will then consider.

Mr. Knowles: A supplementary question, Mr. Speaker. Are the elevator operators in this and other federal buildings included in this review?

Mr. Nowlan: I am sorry, Mr. Speaker, but I cannot answer that question at the moment. There are hundreds of classifications for thousands of employees, and I would have to check the record to make sure.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I express to the Minister of Trade and Commerce (Mr. Hees) the sympathy of the official opposition on the news which has just been received, to the effect that the George H. Hees building in Toronto has been burned out.

(Translation):

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Prime Minister (Mr. Diefenbaker). Since there is talk of election in all newspapers, could the Prime Minister give us some assurance that parliament will be recessed for a week before dissolution, so that the Liberal party may appoint a new leader?

Mr. Speaker: For the third time, I wish to remind hon. members that orders of the day is not the proper time to voice or exchange views which, however brilliantly put, are still of a political character.

(Text):

TRANS-CANADA HIGHWAY

INQUIRY AS TO POLICY RESPECTING SECOND ROUTE

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a question to the Prime Minister and ask what progress is being made toward establishing a policy of building a second trans-Canada highway with federal government participation.

Right Hon. J. G. Diefenbaker (Prime Minister): Of course, Mr. Speaker, that is a matter of government policy to be announced in due course. Today, I may say, a representative group headed by William Hawrelak from Edmonton and several others placed before the government representations in favour of a second trans-Canada highway by way of Edmonton and thence through The Pas.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I wonder whether I could ask the Prime Minister a supplementary question. Is the government giving any consideration to providing additional financial assistance over and above that now provided by law in order to have the present trans-Canada highway completed?

Mr. Diefenbaker: Mr. Speaker, as far as the government of Canada is concerned there has been a completion of that highway.

[*Later:*]

Mr. Diefenbaker: Mr. Speaker, in answer to the hon. member for Bonavista-Twillingate regarding the trans-Canada highway I should like to add, so that there is no misunderstanding, that I was referring to the ceremony marking the completion of the route for traffic. Federal contributions for construction will, of course, continue as long as authorized by the act.

Mr. Pickersgill: Mr. Speaker, I think the Prime Minister perhaps misunderstood my question. My question was, is the government giving any consideration to the proposal made, for example, by the MacPherson commission, or other proposals, for increasing the scale of federal aid in order to speed up the completion of that highway in those provinces which are unable to carry on at a satisfactory rate of speed under the present financial arrangements. I wonder whether the Prime Minister could answer that question.

Mr. Speaker: Order. I have some difficulty. We are not re-embarking on a question period, I trust. We had finished the question period and this was a reversion to motions. We called orders of the day. If there is some clarification required I would leave it at this point. I hope hon. members do not feel that this is a reopening of the question period.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed, from Monday, January 28, consideration in committee of Bill No. C-87, to provide for the establishment of a national economic development board—Mr. Nowlan—Mr. Chown in the chair.

On clause 1—*Short title.*

The Chairman: Shall clause 1 carry?

(Translation):

Mr. Lamoureux: Mr. Chairman, when the house adjourned last evening, I was saying that I agreed to the general principle of the bill now under consideration, and I was ex-

pressing the opinion that planning under the conditions now prevailing in the country, has become essential to the solution of our economic problems.

Yet, I wonder, Mr. Chairman, whether the scheme, as it stands now, may become the efficient planning instrument that the government thinks it is putting at the disposal of our country's economy. The bill to set up the national economic development board is strangely similar to the bill which set up, in 1960, the national productivity council, and we might have grounds to fear that that new body will have a career as fruitless as that of the national productivity council.

The fact that only one of its advisers, that is to say the chairman himself, is called upon to work full time on this board, makes from the start the undertaking rather uncertain and problematical.

The bill also provides for the appointment of a maximum of 25 advisers, that is, the same number that was provided by the national productivity council. It would be quite surprising, Mr. Chairman, that such a large group of persons could produce anything but much discussion and little action. It would be preferable that the number of members be limited to three or five, perhaps, and that these work full time toward the achievement of the board's objectives.

I feel also that we should be concerned about the fact that there is no reference at all to the method of co-operation between the board itself and the government agencies. The bill setting up the national productivity council provided for the appointment of four officials from the departments concerned; this bill, however, does not provide for anything of the kind, and limits the relations between the board and the government to the reports which shall be made by the chairman to the Minister of Finance. In fact, the bill now under study does not confer any specific function, work or responsibility to the board; it merely instructs it to consider certain situations and report to the minister.

Besides, the bill itself recognizes implicitly that the members who will serve on that board without pay will effectively do little work since it provides, in a rather funny way, that members who perform duties in addition to their ordinary duties as members of the board, will receive a remuneration.

The general impression one gets from the bill is that the Minister of Finance (Mr. Nowlan) will have in hand a poor instrument to accomplish things otherwise quite praiseworthy.

Indeed, Mr. Chairman, it seems to me that the bill was prepared with too much haste and I find it hard to believe that an instrument so uncertain and indefinite could become, through the action of some voluntary advisers, a dynamic planning agency. If we were to appraise the bill in itself instead of accepting the interpretation given by the minister, there is a real danger that the national economic development board might be abandoned to its own resources; it will struggle along, begging interviews from the responsible ministers while being stuck with the suggestions it would like to have implemented.

If that planning project is really going to fill the present requirements, the national economic development board should be the very life and soul of the national economy. It should also be able to attend to the most pressing things first and to grapple with the immediate problems like chronic unemployment.

I think more particularly of the eastern Ontario region, which does not seem to have participated to the extent one might expect in the industrial development of the post-war years. It is not because resources are lacking, far from it. Manpower, skilled labour, excellent communications, plentiful hydroelectric resources, there is everything that could be required to bring about the economic growth of a whole area. No doubt the problem would not exist to the same extent had we agreed to give that region of the province a supply of the hydroelectric power developed to the benefit of other more fortunate regions of the province, at the price of great sacrifices that were required of the residents of that region. That decision did a great harm to all eastern Ontario and perhaps it would not have been reached if, at that time, there had been an agency like the national economic development board.

I am also thinking, Mr. Chairman, about the particular case of the area I represent in this house, and which is waiting with an increasing anxiety for the government to do something to put a stop to a situation that the most laudable efforts of the local authorities have never been able to correct.

I regret to recall here that, according to the latest official reports, more than 2,500 applicants for unemployment insurance benefits were registered with the commission's office, in Cornwall. It is an increase—seasonal perhaps but still an increase—of 700, as compared to the end of November. On the other hand, more than 3,200 persons are

registered as seeking jobs, that is an increase of 600 over the previous month. Those figures do not substantially differ from what they were these last years; they illustrate how chronic the unemployment plague has become in this country.

I will not tax the patience of the committee by recalling in detail all the initiatives taken in that particular area to solve locally, through the only facilities at the disposal of a municipality, the economic problems of that community. Similar laudable efforts have been made in other areas, and that resourcefulness redounds to the credit of our municipalities. If enthusiasm, good will and initiative could by themselves bring in new industries, increase salaries and create employment, municipalities which, like Cornwall, have left no stone unturned to get rid by themselves of their economic plight would all benefit today from full prosperity and employment.

Unfortunately, the increasingly sharp competition between provinces, between various areas and between municipalities, in regard to the acquisition of new industrial enterprises, too often results in cancelling out particular efforts and in rendering fruitless local initiatives. Since economic problems continue to exist, in spite of all the hard work done by municipalities, it becomes imperative to look for solutions to those problems at higher levels of government.

We believe, Mr. Chairman, that the government must rethink the whole economic pattern of this country. I do not think this government has now a clear, precise, logical and long term plan to steer the economy of this country in a way that will solve the greatest problem today, chronic regional unemployment.

The setting up of the national economic development board is a step, faltering and long overdue no doubt, but still a step in the right direction. The planning of our economy could be of great help to us. But some people think that such planning should not be too easily entrusted to so many councils, committees and commissions, which the government is setting up with a generous enthusiasm.

The gradual surrendering of the ministers' prerogatives to commissioners and advisers is leading us toward the establishment of a technocracy which is contrary to democratic principles. It would have been much easier to support the bill under discussion if the minister had brought before the house a positive and detailed policy of economic planning of his own, for which he would have assumed responsibility and whose application would have been under his direct supervision. The alternate proposal submitted to us is a plan to find a plan. And if the search is successful, as we all hope, it will not be the work of the government, but rather of its technical advisors. Who knows if it will not be necessary later on to appoint a new board to carry out the recommendations of the national economic development board?

As I said earlier, Mr. Chairman, this bill is a step in the right direction, as long as other measures will supplement it without delay in order to make possible a fair and orderly development in all parts of the country.

Mr. Dumont: Mr. Chairman, on two occasions, yesterday afternoon, we had the opportunity to speak and we let it go, while three Liberals as well as four other members, during the evening, made speeches. But that did not prevent the member for Bonavista-Twillingate (Mr. Pickersgill) to say, last evening, that the hon. member for Villeneuve (Mr. Caouette) wanted to deprive the Liberal party of its right to be heard. What a big joke.

If I referred to his statement, since he has been in the habit of making statements for 22 years—or should I say for 27 years—and not always in the best of taste, I would probably make interesting finds. I shall refer, for the moment, to what he said last evening, and here are his very words as shown in the official report. I quote:

> I suggest that if there had been the kind of full employment that existed up until June of 1957 the hon. member for Villeneuve and his friends would not be here at all.

In view of the venerable statement of the hon. member, let us look back to the period when he was in office, in order to see what was said at the time. We find on page 47 of *Hansard* a statement quoting the Calgary *Herald*:

> Labour and management officials in the British Columbia timber industry have forecast widespread unemployment in the industry this winter.

Again in *Hansard* of January 9, 1957, at a time when the Liberals were in office, we find:

> Both groups agreed it would be "the worst winter since the war" and some said unemployment might spread to other industries.
>
> International Woodworkers of America expect to have 1,200 men out of work by mid-November. Already nearly 800 have been laid off.

Should the hon. member for Bonavista-Twillingate remember what he has said, he would be so nervous that we would think there was an atomic bomb under his seat.

But since the hon. member usually makes a statement one day and another kind of statement the next day, he is recommending for the national economic development board plans which make me remember only too well what we saw in my own riding last year in connection with the winter works program.

Mr. Leblond, a good Liberal mayor, ordered the work to be done with shovels. The tractors and shovel dredgers were then put away and the men had to work at temperatures of 10 below zero, which is abnormally cold weather to have men work to earn their living by the sweat of their brow.

I believe that hon. members should rather recommend appropriate means to have the works financed by the municipal governments, so that our mayors could have the job done the way they want to. Then, it would not be necessary to have men carry out in such cold weather, winter works ordered by whatever party it may be.

People in St. Philemon see how ridiculous this is but they nevertheless agree to work because they have to eat three meals a day. One of those workers told me: "Why not use a spoon instead of a shovel, so as to make the work last all winter?" And another one, yet more astute: "While we are at it, let us use tooth-picks: the work will never end."

Planning which the government would undertake would be along that line; individuals would be forced to do things which the hon. members of the house cannot see. That is why we in this corner of the house are earnestly advocating the establishment of a municipal credit board in order that the municipalities may not be compelled to agree to carry out the necessary works in such a ridiculous manner which is unacceptable in 1963. People submit because they have no choice. It reminds us somewhat of the concentration camps behind the iron curtain.

I realize that we are quite comfortable in this house; it is therefore hard to imagine the hardships suffered by those who are working in freezing weather. This is the reason we are here, this is why there are 30 Social Credit members now in the house; the people were more than fed up with the old line parties who managed the affairs of the country according to their dishonest methods, which forced human beings to stay in the cold in freezing temperatures, and are unacceptable in our times. They will want a Social Credit government the next time around.

The hon. member for Bonavista-Twillingate advises Social Credit members not to talk about unemployment. I read that under their stewardship they let the farm situation remain stagnant, and they had no need for any plan let alone a national development board to know wheat crops should be produced in Quebec where farmers have enough intelligence to follow the advice of their agronomists. At page 142 of *Hansard* for 1957, we see in a statement of the then hon. Liberal member for Kamouraska, Mr. Arthur Masse, what was the Liberal policy then. I quote:

> In 1950, there were 360 farmers paying income tax in Quebec. In 1954, there were 860.

That is 860 out of 122,000 farmers. Such a situation has always prevailed under the Liberal government, a party which is a poor administrator for the people but a good one for the world of finance, and in which we find directors of chartered or other banks.

According to those administrators, the best plan is to enable rich people to become richer and the poor to become even poorer. People are fed up with that and we shall see in the next election that the Liberals will find themselves in the same position as in 1920 and in 1923, namely in the state of a greatly reduced opposition.

I should now like to quote a further statement on the farm situation, as recorded in the official report of January 11, 1957, still by the hon. member for Kamouraska (Mr. Masse), who said that only 27 farmers in his riding had an annual income of $1,900. He found that still satisfactory.

Today, those hon. members, now of the opposition, would have us believe that they have better methods. If they have, why should there not have been more than 27 farmers whose income was $1,900 a year in 1956? There again, they were satisfied with the situation. In my opinion, that line of reasoning is completely ridiculous. I believe it is time for the Canadian people to realize that the Liberal party is in favour of planning and supports the national economic development board, providing it involves more planning. The general public is aware of this. The Canadian people will also realize that the Liberals are the same persons who, in 1956-1957, gave away to the United Kingdom interests amounting to $26 million. At

that time, the United Kingdom owed us $26 million. As can be found in *Hansard* for January 11, 1957, the Right Hon. Louis St. Laurent stated that he was going to give the United Kingdom $26 million.

Looking further, in *Hansard* for January 30, 1957, I find that a loan of $1 million was granted for the Suez canal clearing by the same party in power.

Those are the reasons why we took a chance with the Conservative party but since it cannot do better, and since we are at the present time in need of someone who can launch the Canadian economy toward progress, let us elect active people and oust those who ask for nuclear weapons instead of economic development.

Mr. Latulippe: Mr. Chairman, the aim of economic activities has always been to produce as much as possible with the least effort possible. Automation should please man, should help him, should exalt him in his country, instead of pushing him in that kind of insecurity which demoralizes him.

Why does the state exist? To lead or to serve? We must realize where the duty of the state lies. What is the purpose of this bill to set up a national economic development board? What is it about? Production activities? Processing operations? Manufactures? Plants? Increase production? Agriculture? Transport?

I wonder what is the aim of all those activities. Why do they exist? Of course, their *raison d'être* is to meet the needs of human beings. That is the aim of any sound economy; to fill the need for appropriate goods and profits. Production and industry therefore exist to serve.

Furthermore, we are convinced that with modern means of production and transport, it is possible and relatively easy to put enough goods at the disposal of all consumers to satisfy all their essential needs. If that result is not achieved, the fault does not lie with production itself, and it does not lie either with the will of the consumers.

Since the aim of production is to meet the needs of consumers, it follows that consumers must have the means to make their needs known to production; it is to the master to make his desires known to his servant.

We have here a bill concerning economic development, under which the government will be authorized to direct; and thanks to that power, even if the people are in need of bread, the government will be able to say that it is guns that are needed—exactly what the people do not want.

Reference is made in this bill to planned or directed economy. To direct means to draw, to push in a given direction. In what direction? If it is not directed in the direction of its final objective, it will go astray; and if its final objective consists in meeting the needs of consumers, is it not consumers themselves?

Yet, is that really the idea entertained by those who are requesting a planned economy? Are they not thinking rather in terms of an economy in which the government will put its finger in all control institutions and will tell production what to do and consumers what they must accept?

If that is the kind of direction which is requested, let us realize at once that we already have, and that we have had for several decades, a directed economy. It is directed by those who are in a position to give orders to production, by those who are in a position to dictate their conditions to producers, and by no stretch of the imagination could we say that it is the people, with their needs, who are giving orders to production.

Who suffers from hunger? Members of families where there are more mouths to feed than there is money in the pocketbook. Are they the ones who give orders to food producers?

Who suffers from cold, sickness and the lack of clothing? Are they the ones who give orders to suppliers of firewood and fuel oil, to clothing manufacturers, doctors and druggists?

Who is most in need? Those who live in plain houses. Is it for them that thousands of people work in our industrial cities? Who gets the carloads of commodities which come out of our manufactures?

Production is diverted from its end. Shoes are produced not for the comfort of the people but to enrich the manufacturers. Thousands of people go barefoot while thousands of pairs of shoes remain in storage and on store shelves. Incentives are being sought for production without any thought being given to the consumers.

Indeed, that condition is imposed at the very source where the money required for production comes from. It is the manufacturer who borrows money and the banker who lends it who decide to what use the money will be put. That is where decisions are made concerning the proposed production and where authorization to speed up or slow down production comes from. The banker's book is

supreme; absolutely no consideration is given to the consumers' needs. What is the use of planning?

Everybody knows that today's overabundant production has not met the enormous needs of the world and it is on this most revolting historical fact, that those who promote a planned economy base themselves.

But it is noteworthy that most of the laws that advocate a planned economy are very careful not to make the slightest reference to the power that is directing the economy at the present time. They recognize that the economy is not directed towards the needs of the consumers, but they merely ask the government to intervene to give orders to producers.

We forget that the government itself takes orders from an outside power since it takes so few measures for the good of all. Being itself under the power of money "barons", how can the government intervene except under orders and under pressure from those money "barons"? The government should get its freedom back first.

But once that has been achieved, should it behoove the government to state the needs of the consumers? Is not its function rather to remove the obstacles so that the consumers themselves can make their needs known?

There is a very simple way for the consumers to make their needs known to production and the first duty of a government worthy of that name should be to offer it to the consumers. That is the only guidance, the only logical intervention needed.

Put some familiar looking pieces of paper in each consumer's pocket, or give him only an account on which to draw cheques, and you will see if each consumer will not start at once to place orders with production; and if that situation is allowed to remain unchanged, production will automatically meet the needs of the consumers.

Money is like a right to vote with regard to products. If production exists for the consumers, that right to vote must be given to the consumers. The dollar is the voting slip through which the consumer chooses the product that suits him. Therefore, it is with this voting slip that the consumer will direct the industry, finance through his purchases the enterprise that works for him and eliminate by refusing it his slip, the one which pursues other aims.

Production is very efficient provided it is left alone. Let us take the case of the shoe-making industry; a woman buys three pairs of shoes for the members of her family. You never hear the owner of the store say that he cannot let these three pairs of shoes go lest he might not be able to replace them. The manufacturer is only waiting for the order to supply more, and the owner of the store knows it.

Shoes are being replaced with the same unfailing certainty as a cause produces its effects.

But apply a regulation that will take away from the woman the possibility of buying the shoes; then production will slow down in proportion; for example, if the husband does not work, there is no salary coming in, and on the basis of the reward and punishment system which has taken over the field of economy, being out of work, he has therefore no right to production. The right to production is reserved as a reward; the man having not earned that reward, the shoes will stay there and the members of the family will go bare feet.

The manufacturer will not provide shoes of all sizes, not that he is not able to do so, but on account of a rule that stands against it. Production will automatically supply consumers as long as the latter are able to voice their needs to production and unless interference is exercised by a power beyond both the producer and the consumer.

However, through a philosophy that bears the strong stamp of Judaism, the pursuit of an end pertaining to morals is inflicted upon economy. Industry and production are being made a management implement instead of a service implement. Industry thus finds itself in a cramped position; it is being asked to do something that does not come within its functions and is prevented from achieving its end.

Its own end directs it to supply as many useful things as possible with the least possible effort; and the nearer it gets to it, the more it is crippled by the rule of reward and punishment. The man who is not called upon to produce must not enjoy the fruits of production.

The more industry improves, the more it eliminates human labour and the authorized consumer. And, always on account of the system of reward and punishment, the more it suppresses the authorized consumer, the more it is condemning itself to stagnation, unless it is directed towards activities having to do with destruction, as is the case today; warfare is the salvation of the system.

The conditioning of the right to the necessary things of life has become such an instrument of management that it is being used

unconsciously by those who want to manage others and who have neither the virtue nor the efficiency to succeed otherwise.

This is the axis around which political patronage, intimidation and economical dictature, at all levels, are rotating.

It is the hidden government of money interests, the government of those who, being absolute masters of money and of credit, distribute them according to their fancies and control even our right to breathe.

When the Social Crediters ask for a bare minimum for everybody, through the payment of a national dividend, regardless of any personal contribution to production, do we not find our opponents always eager to mention the moral danger involved? If, all of a sudden, man could feed himself without having to toil, what a catastrophe that would be and how could he be kept under the yoke.

And yet, the economy is not meant to govern, but to serve. Its concern is to supply the earthly goods man must have to meet his temporal needs; its moral character is to be found in the achievement of that goal, not in substituting it to morals.

It is to mystify the multitude and to prevent or delay the true reforms that the profiteers of our present financial system take cover behind moral considerations, the moment that means are sought to put an end to their deadly swindles.

If the plans set forth here and there favour regimentation—statements made by prominent people have more or less as their common denominator regimentation, state employment, state enterprise, control for the centralization of power, the loss of national sovereignties, and, it goes without saying, provincial sovereignties and individual freedom—it is precisely because preparations are being made to deal with current problems without disturbing the present financial set-up.

It is found that, with the financial system we now have, there is no other alternative to the economic slump than socialism, avowed or not. And, because the financial set-up is not to be tampered with, the way is being paved for socialism; instead of having the financial system conform to the needs of humanity, it is humanity that has to conform to the requirements of the financial system.

The Social Crediters are the only ones who have the courage to attack the financial system, and for that we are found guilty of a crime. Each time we make some progress, a pack of people rise against us and, in this pack, it is surprising to find forces and men who, taking their responsibilities, denounce socialism.

We are the only ones to fight for the respect of free enterprise, for the respect of the human being, and for the idea that each man should receive the bare minimum required for a decent livelihood, for the achievement of a life really worth living, in security and in peace.

Mr. Chairman, the only alternative that we bring in, in order to improve our economy, is to lay down plans and more plans. People are tired of all those plans which mean nothing. This bill concerning the establishment of a national economic development board will not bring money into the pockets of our citizens: they will keep on starving. Fifty years may go by before anything comes out of this bill, if anything ever comes out of it.

We may be all dead before any results from this disastrous economic bill start showing.

We are opposed to this economic bill. We are in favour of a system which will bring life and not death. People want to live with dignity; they want to see their legal, moral and social rights fully respected. That is the reason why we are fighting. We Social Crediters, demand the right for each individual, everything which is available: the right to production, the right to modernization, the right to everything his forefathers have achieved before him. We are here to demand those rights and we do so with all our strength.

(Text):

Mr. Argue: Mr. Chairman, before clause 1 carries I wonder whether I might ask the Minister of Finance a question about the general scope of this bill. It is obvious from the terms of the bill that it has to do with certain planning with regard to production and with increasing production. I am wondering whether under this legislation it would be possible to have the national economic development board look into the whole question of rail line abandonment across this country. I ask this question on clause 1 because I feel it is of such a general nature that this is the appropriate place to raise the matter and the appropriate place for it to be answered. It is obvious that this question has to do with planned reduction in certain services over a period of time and might, on a narrow interpretation of the bill, be considered something apart altogether from its scope.

Indications have been given to us at other stages in the proceedings this session that certain steps will be taken to deal with this question. I am not certain in my own mind

whether it is possible or desirable under this bill to have that kind of an inquiry. I am not certain in my own mind whether it is possible under the bill to establish a committee or a body, to provide for the remuneration of the people involved and to give them terms of reference that would enable them to do a comprehensive job. I want to tell the Minister of Finance that the people on the prairies who are particularly concerned with this whole problem of rail line abandonment are absolutely opposed to the board of transport commissioners being given the job. They feel that basically the board of transport commissioners is a court of record. They feel that it is involved with detailed consideration of railway questions such as freight rates, and that any general study of the economic services provided by branch lines and the adverse effect of their removal should be undertaken by a board or body outside of and apart from the board of transport commissioners.

While the question of rail line abandonment has been raised in the three prairie provinces mainly, I believe the Minister of Finance would agree with me when I say that this whole problem is likely to have a very important and very serious impact on the maritime provinces. Therefore, while it is a problem that today is being focused on the prairies, mainly because of the aggressive action of farm leaders and organizations in that part of the country, it is nevertheless something that has a very broad scope. I would ask the minister whether it would be possible in his opinion, under the terms of the bill as they now exist, to set up a committee or body that would have representation from the railways, the federal government, the provinces and the organizations which have been particularly involved, to study the serious economic effect and the serious cost to communities of a large scale abandonment of railway services and to look into, amongst other things, the efficiency or inefficiency of the operations of the railway companies having to do with branch line services.

I can tell the committee there have been brought to my attention a great many accusations that the railway companies are deliberately operating branch line services in such a way as to show large losses. The belief of the people making these statements is that these losses are being incurred so as to bolster the arguments of the companies at a later date in their applications to abandon lines. Here are some examples of what I have been told: sending in special trains to pick up goods when the regular biweekly schedule would do; discontinuing a passenger service and, on the very day it is discontinued, laying down tile in the waiting room the passengers used to use; saving an expenditure of $6 in wages with the result that a special train has to be sent in at a cost of $800.

I realize this has been a broad and far-ranging discussion. We had a long discourse on Social Credit theory a while ago. But I think it is very pertinent to this bill to inquire whether or not such an important question as the discontinuance of branch line services is the kind of thing which could be inquired into under this measure. I am not asking the minister whether this bill is to be used as a vehicle for such an inquiry or not. I do not expect to get that information from him. But I wonder if he would comment on his understanding of the general terms of this legislation and tell us whether a committee of inquiry of a type which would be as independent and as competent as the chairman whom the minister wishes to appoint could be set up to inquire into this whole question and, by so doing, meet the demands of so many organizations that an impartial and independent inquiry be undertaken.

Mr. Nowlan: The hon. member has asked a pertinent question. I am not going to give any categorical answer at the moment, but he knows that the powers set forth in clauses 9, 10, 11 and 12 are very wide. These provisions would, I think, give this board the power to investigate any problem relevant to the development of the economy of the nation. So I think I can say affirmatively that this board would have the power to conduct inquiries into this matter.

It should also be borne in mind that the intention of the government and, I am sure, of this committee in setting up the board is to deal with long term problems and I understand that the problem which the hon. member has raised is, at least in some areas, of a short term nature because the impact will be felt in the relatively near future if something is not done in connection with it. As the hon. member knows, the bill which deals with this matter is being held up at the moment until the premiers from the three western provinces come here next week. I may also say—and I do not think this has been said before—that this problem is not one limited exclusively to the prairie provinces. It has its impact directly on other provinces in Canada, and I may say, in passing, that the premier of Nova Scotia is coming here some time early next week—he has asked for an appointment on Tuesday or Wednesday—to discuss with the government the very question which has been raised by the hon. member for Assiniboia. So, with-

out saying that this bill would constitute the ideal machinery to deal with this problem I would say affirmatively that this question could be dealt with by the board if that were the desire of the house or the government at any time.

Mr. Argue: I thank the minister for his answer. I would simply say that I welcome the information that the premier of Nova Scotia will be in Ottawa to discuss the important question of railway branch lines.

Mr. Nowlan: Perhaps I can qualify that. He is coming to discuss not only the problem of branch lines but also other problems in the field of transportation.

Mr. Argue: No doubt he will be discussing other matters, too. We can think of all kinds of questions he might discuss.

I was about to say it is somewhat difficult for those of us who come from the prairies when we are made aware of a belief on the part of some people that this is purely a prairie question. It is a national question and I am sure it will be raised on a national basis just as soon as there are applications for the removal of branch lines in Ontario, Quebec and the maritime provinces to the degree that these applications have been forthcoming on the prairies. It is clear, however, from the evidence, that the prairies have had to take the lead in trying to get the government, after months of delay, to do something about these continuing applications to remove branch lines. The minister has said this is a short run affair. Well, if your railway is to be taken from you, you can call it short run or long run. If it is taken from you the day after tomorrow, I suppose it is a short run action but the difficulties and inconveniences will last as long as you live, or as long as you reside in that community. I would remind the minister, because he knows, already, that the MacPherson commission recommendation on this point has to do with the removal of branch line services over a period of 15 years. Here is a question, obviously, which requires long term planning and long term action. If this is to be merely short term action on the basis of the balance sheets of the railway companies, I ask the government what possible economic advantage would it be to the country to remove branch line services if by doing so you save the railway companies $1 and cost the communities involved something in excess of a dollar in increased costs? This is an important question and I am not certain what should be done about it, not having, as yet, seen the legislation which the government is to bring down to deal specifically with this problem. However, it is because of the determined opposition in western Canada to this job being given to the board of transport commissioners that I thought it worth while putting my inquiry to the minister. I thank him for his opinion that there is sufficient scope under this legislation to enable the kind of general inquiry I have in mind to be undertaken.

Clause agreed to.

On clause 2—*Definitions. "Board".*

Mr. Martin (Essex East): During the general discussion mention has been made of the planning programs of various European countries including the United Kingdom. Mention has been made that the chancellor of the exchequer, who holds a position in the United Kingdom similar to that occupied by the minister of finance here, occupies the post of chairman of the Neddy council. Can the minister say whether or not any consideration has been given to this arrangement and what his feeling in connection with the proposal is. It will be remembered that my hon. friend from Coast-Capilano emphasized this in his speech.

Mr. Nowlan: Yes. I should say, I suppose, that this is a suggestion to which consideration was given in the preliminary drafting of the bill. The official with whom I was associated realized that in the United Kingdom the chancellor of the exchequer was the chairman of a board popularly called Neddy. I would not say that we gave too careful consideration to this because it was felt that it was unusual on a board such as this, one to which we wanted to attract all areas of our economy to give advice to the government. It was felt that there might be some difficulty in appointing a member of the executive for the time being, whatever might be the party in power, or whoever he might be, to be chairman of the board. It was felt that the board should be kept relatively small, as has been pointed out by various hon. members; that there should be a permanent chairman who would give direction to the operations of the board and who would not be responsible for administrative details or responsibilities, as would a minister. I know that I do not have to remind the hon. member for Essex East of the problems of a minister in any department. Although it is true—and I say this without any reflection upon Neddy—that the chancellor of the exchequer in the United Kingdom is the chairman of the board, he carries so many responsibilities that I am quite sure he does not give the intensive direction to that board which we felt a chairman should give to this one. Therefore, it was decided by the government, and I suggest properly decided, that the chairman should be somebody brought in from outside who would act as chairman of the board, in the same way that other government

boards have chairmen outside of the executive.

Mr. Martin (Essex East): The minister's statement is an important one. It clearly indicates that the government does not have in mind the kind of body which exists in the United Kingdom, which exists in France, and about which we had some considerable detail from the hon. member for Gaspe yesterday in the very excellent speech which he delivered. We have no indication from the government of any intention to have a liaison between the government as such and this board except, as will be found in subsequent provisions in the bill, occasion is offered for reporting by the board to the minister. We will not even have what they have in France, the existence of a government rapporteur, who sits not only in the councils which have to do with the public, as well as the private sector. In France, in the top council, the "conseil superieur" and in the "commissariat du plan", provision is made for the existence of a rapporteur who represents the government. This we are not to have in the case of this particular board being set up by this bill. This gives an indication at this stage in our proceedings that the government does not have in mind the kind of planning body which the national productivity council special mission to Europe has reported on so favourably and which it has recommended for adoption in this country.

Mr. Nowlan: Well, Mr. Chairman, I do not want to get into a discussion on the details with the hon. member. As I said last night, the constitutional situation in France and in the United Kingdom, and in other European countries as well, is quite different from that in this country where we have a federal state, with provinces, and where the laws are such that it is very difficult to set up a unitary commission such as you might have in France or in other countries. Also in this country, rightly or wrongly, and I am sure the hon. member for Essex East will agree with me rightly, the state does not have the degree of control over industry which it has, shall we say, for instance, in France; so I suggest there is no complete parallel which one can draw between the two. When we come to the consideration of clauses 9, 10 and 11 we find that the duties and responsibilities of the board are set out. In clause 12 it is provided that:

> The board shall, to the greatest possible extent consistent with the performance of its duties under this act, co-operate with the national productivity council, the Atlantic development board, and all departments, branches and other agencies of the government of Canada—

I can assure the hon. member that it is the intent of those who are responsible for the inception, the drafting and the presentation of this bill to parliament that the closest co-operation and liaison between this board and all other facets of the Canadian economy, so far as the federal government is concerned, will take place, and I hope that that is also the case with the provincial governments in so far as they feel they can co-operate with this board in the development of the Canadian economy.

Mr. Martin (Essex East): Mr. Chairman, I would not want the remarks of the minister to be construed as establishing that we on this side had recommended overlooking the federal character of our constitution.

Mr. Nowlan: No, I did not mean that.

Mr. Martin (Essex East): I am sure the minister did not mean that. But because he has made the observation, I think some comment is essential. I clearly indicated when speaking on the resolution that a complete parallel between what we proposed and what exists in various European nations was not possible in Canada because in every instance we were dealing with unitary states in Europe, whereas in Canada we have a federal state with ten provincial bodies operating and exercising sovereign powers under section 92 of the British North America Act. This difference between our constitutional set-up and that of the European countries offers in itself no justification, it seems to me for the suggestion made by the minister. As I pointed out, or endeavoured to point out, in my previous statement, there must be the closest possible co-operation between the federal and provincial governments to make effective the purposes of a planning board which is intended to deal in a total way with the economic problems of Canada. Indeed, I complained that this bill was deficient, as we shall later show when we come to the pertinent clause, in that it does not make provision for the co-operation which must prevail between the two senior levels of government. The minister is quite right that because of the property and civil rights clause in the British North America Act, it is open only to the provinces to exercise those powers which are exercised, for instance, in the United Kingdom under the town and country planning act. But it should be possible, having in mind the fiscal powers of the federal government with regard to its general and unlimited tax policy, for the federal government to be able to work out arrangements in connection with the provincial power over industry, let us say, in any given province in order to meet the problem of, for example, the relocation of industry mentioned by the hon. member for Essex West the other evening. This bill will be one

having a most limited scope unless we provide in it an obligation of the board and of the government to bring about a co-operative effort between the two levels of government to achieve objectives which we think even in a limited way are encompassed in clause 9 of the bill.

Clause 2 agreed to.

On clause 3—*Establishment of board.*

Mr. Munro: Mr. Chairman, I should like to address a few remarks to the minister with respect to clause 3. We find this clause objectionable because there is no reference made to any action which the minister or the government must take with regard to consulting any of the principal organizations throughout the country which represent the various economic areas of Canadian life, presumably the very organizations the co-operation and assistance of which are going to be required if the aims of this board are to be realized. I think an outstanding example of the very thing which could happen here and which happened to a board somewhat similar in function to this one, namely the national productivity council, was the resignation of Mr. Claude Jodoin. It is not so much an example of the fact that he represents the Canadian Labour Congress but of the fact that he represents a large organization and presumably speaks for a large number of people in one specific area of our economic life. This could apply to the Canadian Manufacturers' Association or any other such organization where the government wishes to appoint a representative of that organization and puts men on a board, but owing to dissatisfaction with the manner of the appointment it did not get the co-operation of the association involved.

In pointing out the example of the appointment of Mr. Claude Jodoin, I would say that he resigned from the national productivity council on the basis that he was appointed without being consulted prior to his appointment. That is the first point. The second point is that he was not appointed as a representative of the large organization of which he was the head, namely the Canadian Labour Congress, and therefore felt that any contribution he could make to the national productivity council was severely limited, in that he could not speak for the Canadian Labour Congress, the very congress whose co-operation the national productivity council needed ever so badly, since the co-operation of labour and management was an essential to any proper carrying out of the duties of the national productivity council.

I cannot see how this legislation prevents a similar occurrence taking place with respect to the national economic development board. Again, and I may say this matter has been gone into several times in this House of Commons, the duties of this board seem to overlap to a considerable extent those of the national productivity council. Perhaps it is the suspicion of many of us that the ultimate purpose is to have it take over the national productivity council. If that is so, it is all the more important that the manner of appointment is such as to ensure the utmost co-operation of management and labour, to say nothing of agriculture, or the purpose of the national economic board will never be realized.

In view of this consideration I think it is essential to make an amendment to this particular clause. At the same time this amendment, it will be noted, does not derogate from the government's ultimate responsibility and jurisdiction in making an appointment. What the amendment does is to ensure that the organizations whose assistance is essential for this body are consulted prior to the appointment and that to some degree the government can be assured that, once the appointment is made, the particular appointee will be able to commit to a considerable extent the principal organizations of the country of which he is a member to assist in the carrying out of this board's duties. To that end I should like to make the following amendment:

> That the period in line 15 be replaced by a comma and the following words be added:
> "after consultation with the principal organizations representative of trade unions, farmers, and other groups as the governor in council may determine.

The Deputy Chairman: Is the committee ready for the question?

Mr. Peters: While we agree that some consideration should be given to this amendment, I believe it does not go nearly far enough. One of the problems in connection with the operation of the productivity council is that we are asking for advice and assistance from a number of groups and yet we are not allowing these groups to have an active part in the selection of their representatives, and therefore not after consultation with the governor in council but with the organizations which are interested in and concerned with this matter. They should have the opportunity of nominating their own representatives. The reason for this is simple. If we are going to ask for the co-operation of certain industries and certain large corporations as was done during the last war, then there is one thing that should be done. On that occasion we gave them representation in the form of dollar-a-year men in many cases. However, these men had the backing of the independent companies who were paying them, and they went

to their assignments with the understanding that if they made a suggestion to the government, that suggestion was one which they could put into effect.

While I do not wish to discuss the representatives of corporations, I know that in a union it is extremely difficult to elect, through convention or in any manner through which a representative may be chosen, one who will go and take part in deliberations in a council or other body and who is not in a position to commit the organization he is representing. This situation cannot come by selection. It cannot come by the governor in council asking for this, as actually that is the cabinet. It can come only if the representative is one who has the permission and direction of his organization to back up the representations he makes. I suggest that is something that has been done in days gone by and that in this particular case anything less will not be particularly successful. May I call it five o'clock, Mr. Chairman?

The Deputy Chairman: It being five o'clock, it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business, pursuant to section 3 of standing order 15.

Clause 3 stands.

Progress reported.

PRIVATE BILLS

Mr. Speaker: It being five o'clock the house will now proceed to the consideration of private members' business. The items for consideration today are private bills which appear on pages 19 to 57 of today's order paper.

Mr. More: Mr. Speaker, I should like to seek the unanimous consent of the house to have dealt with first item No. 370 on today's order paper, namely second reading of Bill S-9, an act respecting the Evangelical Lutheran Synod of Western Canada.

Some hon. Members: Agreed.

Mr. Speaker: The hon. member for Regina City seeks the unanimous consent of the house to have considered, in priority to all other items, item No. 370 on today's order paper, being second reading of Bill S-9, an act respecting the Evangelical Synod of Western Canada. Has the hon. member such consent?

Some hon. Members: Agreed.

[Mr. Peters.]

THE EVANGELICAL LUTHERAN SYNOD OF WESTERN CANADA

Mr. K. H. More (Regina City) moved the second reading of Bill No. S-9, respecting the Evangelical Lutheran Synod of Western Canada.

Mr. Speaker: Is it the pleasure of the house to adopt the motion?

Mr. Herridge: I simply wish to ask the hon. member whether he is going to explain to the house the purpose of the bill so that we shall understand clearly what we are dealing with.

Mr. More: The purpose of this bill, Mr. Speaker, as set out in the explanatory notes, is to give effect to an agreement of consolidation, effective as of July 1, 1962, whereby four large branches of the Lutheran church in the United States and Canada, namely American Evangelical Lutheran Church, the Augustana Evangelical Lutheran Church, the Finnish Evangelical Lutheran Church of America and the United Lutheran Church in America agreed to consolidate under the name of "Lutheran Church in America". The Evangelical Lutheran Synod of Western Canada was one of the synods of the United Lutheran Church in America.

The territorial jurisdiction of the Evangelical Lutheran Synod of Western Canada included the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and that part of Ontario lying west of the 86th meridian of longitude, the Yukon territory and the Northwest Territories.

Under the terms of consolidation, this synod is to be known as central Canada synod of the Lutheran church in America and the territorial jurisdiction is to be limited to the provinces of Saskatchewan and Manitoba and that portion of the province of Ontario lying west of the 88th meridian of longitude.

Clause 1 of the bill changes the name of the corporation in accordance with the agreement of consolidation.

Clause 2 of the bill provides for the adherence of the corporation to the Lutheran church in America in ecclesiastical matters.

Motion agreed to, bill read the second time and referred to the standing committee on miscellaneous private bills.

SONJA BAGRY

The house in committee on Bill No. SD-6, for the relief of Sonja Bagry—Mr. Mandziuk —Mr. Paul in the chair.

On clause 1.

Mr. Howard: In so far as the bill before us is concerned, I have taken the liberty in the last few minutes of looking at the evidence upon which the bill is founded. There are a number of strange things about it which I think should be examined very closely by committee of the whole before the committee decides to recommend the bill to the house. I would particularly draw your attention to a few changes which were made in the petition as it was originally drafted and as it now appears in printed form before us. These changes took place before the committee of the Senate, and some of them make one wonder what the Senate committee was thinking about or trying to do when it made these changes.

In the first instance, part 1 of the petition upon which this bill is founded reads:

> That on or about the 8th of May, 1945, your petitioner was lawfully married to the said—

Then, there is the name of the respondent.

> —in Braunschweig, Germany.

However, in the evidence which was given before the committee by the petitioner, from which I should like to read a few excerpts, with the committee keeping in mind that the petition which is now printed before us contains the note that on or about the 8 May 1945, the marriage took place, different statements are made. The petitioner appeared, was sworn and proceeded to give certain evidence to which I must refer now. She identified herself, her address, occupation, religion and where she was married. Then, these questions were asked by the clerk of the committee:

> Q. When were you married?
> A. July 26, 1945.

There was no hesitation, just a direct statement, July 26, 1945. You will recall the petition as it is now printed gives the date as May 8, 1945. Then, the clerk says:

> Q. I show you a document. Do you recognize this document?
> A. Yes.
> Q. What is it?
> A. That is a marriage paper.
> Q. Are the statements in it correct?
> A. Yes.
> Q. Have you seen this document before?
> A. Well, I have it.
> Q. You sent it in?
> A. Yes.

Then, the marriage certificate was filed as exhibit 1. There are some other questions about recognizing a photograph of her husband and then the lawyer, Mr. Masse, asks these questions:

> Q. I understand you were married on the 14th July, 1945?
> A. Yes.

Previously, she had answered it was July 26, 1945 and now she says it was July 14, 1945. Then, the chairman of the committee interrupts and asks:

> Q. Do you know the date you were married?
> A. I don't know.
> Q. What month were you married?
> A. I think it is June or May, I don't remember.
> Q. What does the marriage certificate say?
> A. In May, I think.
>
> Mr. Masse: The 8th of May.
>
> The Chairman: 1945?
>
> Mr. Masse: Yes.
>
> The Chairman: You had better amend the petition.

Then, the committee approves an amendment to the petition showing the date which appears on the marriage certificate. Let us remember that it took a series of questions by the clerk of the committee, by the lawyer representing her and by the chairman to get information as to the exact date of the marriage, and the answers ranged over two different months and two different dates in one month. Perhaps this is not important in itself, but it is important I think when we connect it with the other alterations and changes which were made in the petition and the other inconsistencies in the evidence given by those who appeared as witnesses.

There was another change which took place in the petition as it was originally presented and as it now appears before us. This was in clause No. 6 of the petition which now reads:

> That after the said marriage and until the month of June, 1951, your petitioner lived and cohabited with the said—in Braunschweig, Germany to the month of November, 1947, and thereafter in Montreal, Canada, and that two children were born of the said marriage—

Then, the petition gives their names and the dates of their birth. In the petition as originally presented it indicated that there was only one child born of the marriage. Subsequent evidence brought to light the fact that there were two, one of whom had died, I believe in 1953. Accordingly, the petition was amended to cite the facts as they were, correctly.

That particular clause 6 of the petition also says that they came here to Canada in November, 1947 from Germany, and in the evidence which is given later on as to what time it was that they came here, the petitioner was not quite sure when it was and had to be prompted somewhat by the lawyer with respect to that particular time, but that was subsequently cleared up.

There is one other change in the petition which I submit is of great importance and should be studied at some length by this committee. It concerns clause 7 which I gather is the one of main substance, namely

that which alleges the commission of adultery. As it is printed the petition reads as follows:

That during the month of January, 1961 and on numerous other occasions in 1961 the said ... committed adultery with one ... housewife, residing at—

Further on it alleges that they were living, residing, cohabitating at that address as man and wife, or what is loosely referred to as a common law relationship. The particular point with which we must concern ourselves is that during the month of June, 1961, adultery was committed.

The committee must remember that petitions are not hastily drawn up. A petition is prepared by a lawyer who undoubtedly acquaints himself as fully as possible with all the facts to make sure everything is correct in the petition so far as its allegations are concerned. Now, the original petition reads: "That in the night of June 13th, 1961" certain things took place. That is subsequently changed by the committee of the other place to read "during the month of June, 1961". Instead of confining it to one evening or one day they expanded it to embrace the entire month of June.

I submit that was done for a particular purpose by the senators on the committee in the other place, namely, to bend over backwards if necessary to ensure that the allegations of adultery were proven, because if June 13 had remained in the petition, as will be shown later on, none of the three witnesses who appeared on behalf of the petitioner had any knowledge of what happened on the night of June 13 when it was originally alleged adultery took place. I say that the senators in the other place, in their overzealous desire for proper court procedures, expanded this period to give the benefit to the petitioner.

Mr. Fairweather: It was more than you are doing.

Mr. Howard: In answer to my hon. friend who interjects, all he has to do is communicate with the Prime Minister to try to inject some backbone into the Prime Minister, and perhaps then we will get some solution to this particular problem.

One of the witnesses called was a Joseph Szabo who, having been sworn, testified as to his name and his age being 33, his place of living being Montreal and his occupation being a cutter. He is not, as has been the case in many instances, a private investigator or detective, but an ordinary citizen following an ordinary course of activity. He is shown a photograph of the respondent. He recognizes the portrait and identifies it as the respondent, or husband in this particular case. Then certain questions are asked of him as follows:

Q. Do you know where he lives?
A. I know.
Q. What is his address?

He gives the address as it was contained in the petition.

Q. Do you know how long he has been living there, or since when do you know he has been living there?
A. I know since 1960, August.
Q. How do you know he is living there?
A. I was boarding there.

Here is an individual who lived as a boarder, I suppose for about a year, in a particular house where this respondent is alleged to have committed adultery.

Q. Was Mr. Bagry living alone in that dwelling?
A. No, he wasn't. He was living with his wife.
Q. With his wife?
A. Yes.
Q. Do you know his wife? Can you show to us who his wife is?
A. Yes, this person here.

Obviously he pointed to somebody in the committee room. Then it continues:

By the Chairman:

Q. You are pointing to the corespondent?
A. Yes.
Q. I show you the petitioner in this case. That is not the woman you mean, is it?
A. No, I never saw her (the petitioner) in my life.

The same question is asked again and then another question:

Q. Do you know the other woman as the wife of Mr. Bagry?
A. Yes.

This indicates, on the evidence of this gentleman, who was a boarder at this residence, that for the period of time he was a boarder there until at least the time when the petition was presented—that would be from August, 1960 until June, 1961—the respondent and corespondent were living together as man and wife and presumably the corespondent was using the surname of the respondent, as one would think would happen. That in itself should be sufficient grounds upon which to grant the divorce, namely that a set of circumstances show a couple are living together as man and wife and one of them is married to somebody else. Apparently the lawyer did not think so because he proceeded to ask further questions. Apparently the Senate committee did not think that was sufficient either, and they proceeded to hear other witnesses and make other inquiries. The lawyer, Mr. Masse, asks this witness some of those further questions:

Q. How long have you boarded there?
A. A little over a year.
Q. Would you tell us how many rooms there were in the apartment where he was living?
A. There were two bedrooms: the one I was living in and another bedroom with them.
Q. Who was sleeping in the other bedroom?
A. Both of them.

Q. Did you have a chance to see the inside of this room?
A. No. I had but not at night, sometimes.

That sounds as if it is the Minister of National Defence interpreting the statement of the Prime Minister.

An hon. Member: Get back to the subject.

Mr. Howard: My hon. friend enjoyed the recitation from this evidence so much, by his jocular response, that I thought he was inviting me to go a little bit further into other jocular things, such as the defence policy of the government. The evidence continues:

Q. Do you know how many beds there were in that room?
A. Only one.
Q. Was it a small or a large bed?

As if that makes an difference with two people living together as man wife and in the same room. Anyway the answer is:

It was a large bed, a chesterfield that opened up at night.
Q. Were you living there during the month of June, 1961?
A. Yes.
Q. All through the month?
A. Yes.
Q. And every night the corespondent slept in the same room as the respondent, Mr.—

Then there is the name of the respondent:

A. Yes.
Q. Was she or he absent for one night?
A. I don't understand the question.
Q. Were they away from the house some time during the month of June?
A. I don't remember.
Q. You don't remember them being away?
A. No.

Then the chairman interrupts to deal with the significance of the June 13 date in the original petition as the one night upon which adultery was supposed to have taken place. The chairman asks:

What significance has your pleading of June 13?

Mr. Masse: Because we have one witness who was there during the night and can state that they were there.

The Chairman: But this witness cannot testify as to that?

Mr. Masse: No.

The Chairman: All right.

Mr. Masse: That is all for this witness.

So throughout this matter, Mr. Chairman, we find there is one witness who says there existed a so-called common law relationship with this couple living together as man and wife, the woman representing herself by name as the wife of the respondent; they were living together, sleeping together and cohabiting in one room in a bed chesterfield, a chesterfield that at night makes down into a bed. But when it comes to the night in question to which the petitioner refers, the witness is ignorant of that night or is not able to recall anything about it with regard to whether or not the couple were there, or the like. So he leaves the scene as a witness because he is unable to deal with this particular night of June 13.

Following him there is another witness, a gentleman by the name of Albert Zchilter. He is sworn and gives the information as to his name, his age being 53, his address, and his occupation as a grocer. It is interesting to note there, Mr. Chairman, that the address which he gives for himself is in the same block and on the same street as that given in the petition and as that which the first witness gave as his place of residence as a boarder throughout the period of time in question.

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

Mr. Peters: Mr. Chairman, this is a very interesting case for a number of reasons which—

(Translation):

Mr. Legare: Mr. Chairman, it seems to me that my hon. friend intends to put on the record all the evidence which was wholly or partly given before the divorce committee of the other place.

May I point out to my hon. colleagues that in these precincts some of the page boys are barely 13 years old. When I look at the record of our discussions last week, more particularly on page 3087, I wonder if these youngsters could not do better than to hear us speak of adultery, cohabitation or concubinage.

Perhaps it would be a good idea to ask the youngest among them to leave the room, or to replace them by older pages. I am convinced that should the parents hear our debates, we might meet with some difficulties in our future recruiting of page boys.

It seems to me that my suggestion is in order. Let my hon. friends put into the record whatever evidence they please, but not in the presence of the youngest boys.

Mr. Ouellet: Mr. Chairman, on the same point of order, I must say that we have been sitting for some time and every Tuesday night, between five and six, we hear exactly the same remarks. For this reason, I am supporting my friend, the hon. member for Rimouski (Mr. Legare), in what he just said.

The questions were asked. The hearings took place. The evidence was heard in the divorce committee of the Senate. Those bills are now sent back to this house where they are re-sifted and warmed up, one after the other. And what do we get out of it? As a matter of fact most of the bills I looked into concerned cases of adultery—

The Deputy Chairman: Order. I understood that the hon. member rose to support the remarks made in the same spirit by the hon. member for Rimouski. If he wants to drift away from them, I shall not be able to allow further comments from the hon. member as I have already recognized the hon. member for Timiskaming (Mr. Peters).

I would therefore ask the hon. member to limit his remarks to what the hon. member for Rimouski said.

Mr. Ouellet: Thank you, Mr. Chairman. Anyway, I apologize for perhaps having gone beyond the point made by the hon. member for Rimouski.

To sum it up, as far as the young page boys are concerned, regarding debates on divorce, where there is question of adultery, of someone having slept here or there, I think it is more interesting for us than for the page boys.

Really, in supporting my hon. friend from Rimouski, I wonder if some way might be found to prevent a constant repetition of those words in this house, which would save the Canadian people much time and money for, after all, there may be some divorce bills which could be granted without the lengthy discussion of warmed over evidence which there is no need for us to hear, as it has been previously submitted to the proper authorities.

(Text):

Mr. Herridge: Mr. Chairman, I shall be very brief. As one of the members of the house with lingering Victorian tendencies, I was very pleased to hear the hon. member opposite support the suggestion which had been made previously in this debate by my colleague the hon. member for Timiskaming, that the younger members of the page staff should be asked to leave during this discussion. It is most unfortunate in a sense that these discussions have to take place and this evidence has to be read, and so on, but my colleagues are doing this with the intention of improving the procedures with respect to divorce in Canada. I do urge, Mr. Chairman, that you give consideration to the suggestion made by the hon. member with respect to the page boys.

(Translation):

The Chairman: Members of the committee will notice that action has been taken following the remarks made by the hon. member for Rimouski (Mr. Legare) and that the younger pages have already left the house.

(Text):

Mr. Scott: Mr. Chairman, the hon. member for Drummond-Arthabaska in his remarks a moment ago mentioned that we were taking up the time of the house discussing these matters, and he asked us where it was going to end and what we were hoping to achieve. I take that to be in the nature of a question directed to us and I should like to answer it. Since the commencement of the session we have always spoken very reluctantly on these matters and would be very happy to have the entire proceedings removed from this chamber so that we would not have to deal with them. But we have taken the position that if we are going to be made to deal with divorces, then we intend to do a thorough job. We are most reluctant to participate in these matters. We wish they were not here. We would be glad to have them transferred to a competent jurisdiction when the government sees fit so to do.

The Deputy Chairman: Order. I am sorry to interrupt the hon. member but I think he is trying to create a debate between himself and the hon. member for Drummond-Arthabaska. Also, in his remarks I think he is ranging very far from the principle of the bill the committee is now studying.

Mr. Scott: Mr. Chairman, I would never do that. I was merely trying to point out our position in this particular matter.

Mr. Crestohl: May I ask the hon. member who has just resumed his seat a question? Can he inform the committee whether any progress has been made by the representatives of the four parties who are attempting to reach some satisfactory decision about this matter?

The Deputy Chairman: Order. The remarks of the hon. member for Jacques Cartier have no relevancy to the subject of this bill. I am sorry, but I cannot allow the hon. member for Danforth to answer this question.

Mr. Howard: I do not want to become involved in that interlude at this stage, though if the rules would permit it I would certainly like to. All I can do is suggest that the hon. member who raised the question should ask the hon. member for Laurier who it was who scuttled the negotiations which took place.

One of the witnesses who appeared before the committee in the other place to give evidence was a grocer. I say that by way of repetition only to bring all his evidence into one place so that we may be able to follow more clearly what is going on. As I said at the outset of the remarks I made when I first spoke this session with respect to these divorce

bills—and this will be of particular interest, I think, to the hon. member for Drummond-Arthabaska and others—I do not like taking part in these particular debates on these particular bills. I do not want to. I would just as soon not have to do so. I would just as soon we did not have continually, twice a week, to deal with these questions here and recite at length excerpts from the evidence given before the other place. However, as long as we have to deal with this bill which is before us, and others, we feel it is our responsibility to do so in as much detail as is necessary to get across the point of view we hold. I wish other hon. members would participate to the same extent. Perhaps in that way we could bring pressure to bear on the authorities responsible for dealing with these matters.

(Translation):

Mr. Ouellet: Mr. Chairman, I rise on a point of order. I should like to ask you a question. Have the bills which are being referred to us by the Senate been examined previously by the other place?

The Deputy Chairman: The Chair cannot answer questions that hon. members of the committee may wish to ask.

(Text):

Mr. Howard: I am prevented by your ruling, Mr. Chairman, from replying to that interesting question. I had a worth while, interesting argument to make, one which represents my views about the members of the other place and whether they study anything with assiduity or not. In any event, Mr. Zchilter, a grocer, gives evidence by recognizing and identifying a picture of the respondent. He gives his name. Then follows a series of questions and answers:

Q. Who is this man? A. Ignaz.
Q. Ignaz who? A. Ignaz Bagry.
Q. Where does he live? A. Next door to us, upstairs, I don't know the house number.
Q. How long has he been living there, to your knowledge?
A. Oh, six, seven years.
Q. Do you know his trade or occupation. A. A tailor.
Q. Do you know whether he is married or not?
A. Well, at that time he was supposed to be married.
Q. Do you know the person? Do you see her in this room?
A. This woman here.

Those questions were asked by Mr. Masse. Now the chairman asks a few questions.

Q. You are pointing to the corespondent. It is not the petitioner. A. I never seen her (indicating the petitioner).
Q. You never saw the petitioner before? A. No.

So here we find the grocer, who has lived next door to this couple, indicating that they have been together as man and wife for six or seven years. He had some inkling that they were not married as may be gathered from his answer to the question when he said "supposed to be married". Mr. Masse asks:

Q. Have you seen Mr. Bagry and the woman that you thought was his wife many times during those seven years? A. All the time.

Witness again indicates that here is a so-called common law marital relationship which has existed for a period of seven years. Perhaps that would be sufficient to meet the test of the other place, which is adultery, because adultery as far as this case and others are concerned is solely an occasion of sexual intercourse having taken place. Proof of the act itself is seldom given. What is required is just a set of circumstances which would lead a reasonable person to assume that such an act had taken place. Presumably the senators had come to the conclusion in their own minds after a couple had lived together for seven years representing themselves as man and wife the test of adultery had been met. However, they went further.

Before I pursue the matter, because now the evidence goes into the question of children being involved, I wonder if I might have your indulgence to count the house, Mr. Chairman, in order to decide whether there is a quorum to allow us to proceed.

The Deputy Chairman: I check all the time. We have had a quorum since five o'clock. The last time I checked was about half a minute ago and there were 22 members in the committee.

Mr. Howard: That is two above par, 20 being the quorum. Of course, while reading the evidence here I cannot count at the same time. Perhaps one of these days people will be so disinterested that there will be less than that number present.

The next exchange which is of interest to the committee is as follows:

By Mr. Masse:

Q. Are there any children living that house? A. One girl.
Q. How old is she? A. Five or six; I don't know.

One would have assumed that this would be reason for eliciting additional evidence to show that this child was the child of the respondent and the corespondent, because they had lived together as man and wife for seven years. We shall go on to see whether this particular point is covered, and used as additional proof that adultery had taken place during the seven year period. But the chairman interposes to ask this:

Q. Are you going to prove June 13 through this witness?

To which Mr. Masse replies:

No, I have another witness.

This seems to indicate that the chairman is concerned overmuch about whether adultery

took place on the night of June 13. Otherwise he would not have interrupted at a point where evidence was being given about a child five or six years of age living in the same house and whether or not this child had been born to the respondent and the corespondent who, according to the evidence, were living together as man and wife. The chairman goes on to ask whether the witness knows that Mr. Bagry had lived in the city of Montreal for the last six or seven years and gets the answer: "Oh, yes, naturally". I wonder if the chairman was there when the earlier evidence was given or, if he was there, whether he was paying much attention to it. He goes on to ask: "And he is still there now?" Witness replies, yes. Then one of the senators asked:

> Did you ever visit him in his rooms?
> A. No.
> Q. You never went up there?
> A. No.
>
> By the Chairman:
>
> Q. I suppose he buys groceries from you?
> A. Yes, but they take it themselves up. I may have been up once a long time ago at the beginning.

In so far as any knowledge on the part of this grocer is concerned with regard to adultery having taken place, he has not the foggiest idea. All he knows is that there is a couple living next door "upstairs some place" who take groceries upstairs. He has no knowledge of beds and the other accoutrements which go along with married life. He may have had some knowledge about the child, whether or not he thought her to be the child of this couple, but he gives no evidence about that. As far as the grocer is concerned we can completely discount his evidence as to adultery, unless we take it that he knew them together in the area for some seven years as one selling groceries to them. He said that they perhaps represented themselves as man and wife.

I suggest that this is what the committee in the other place did, and this is what was particularly in the mind of the chairman and the other members of the committee: they had convinced themselves early enough in the proceedings before that committee that there was a so-called common law relationship, and that was good enough for them. They were merely trying to get some little bit of information to prove adultery. That is why they persisted in inquiring about the night of June 13. We now find two witnesses have appeared, neither one of whom knows anything about the night of June 13 and the allegation that adultery was committed there. In each case when he was asked the lawyer representing the petitioner said: "No, I am not going to prove this by either of these two witnesses; I have another witness coming".

Mr. Ouellet: Can I ask a question?

Mr. Howard: Certainly.

Mr. Ouellet: Is it true there are 492 private bills before us which have been accepted by the other place; and is it not your opinion that we should accept all of these bills together?

Mr. Howard: The answer to that question is simply no. In the first place, I have not much faith in the other place. Second, I have found out they have been misled before, because people who appeared before the committee of the other place have been sentenced to penitentiary terms for committing perjury in divorce cases heard before the committee of the other place. Third, we do not think that parliament is the place to be a rubber stamp for marital difficulties of people living in Quebec, in Newfoundland, or anywhere else. That is why we are taking the course of following in detail the evidence in each case. I hope that is a satisfactory answer.

Mr. Ouellet: One more question. Do you expect to discuss in detail each bill and to pass them?

Mr. Howard: At the rate we are going, one bill an hour, it would take us, on your count, 492 weeks, and I do not think we will be here this long. But if we return for another session and these bills are still before us, presumably over a course of 20 or 30 years we can touch on each one of them. The solution is very simple. We have the right honourable gentleman as the Prime Minister of this country. We have his cabinet, composed of his colleagues, astute, able and capable gentlemen that they are. Surely they can come up with an answer to this very vexing problem. We have offered them many solutions and alternatives. We even went so far as to pick the Prime Minister's greatest love, namely his love for royal commissions, and we asked him to appoint a royal commission on this question. This would satisfy our desires for the moment. So far the Prime Minister has decided to be as vacillating as he usually is, so we have no other course to follow but to proceed on each one. We shall have to go through each of these 492, plus 200 or 300 more added each year until this question is solved.

Now we have another witness. This is the key witness, the individual who knows about the night of June 13. This is the man who comes forward with the evidence about the pink pyjamas, ruffled beds, dented pillows, rumpled sheets, and all the other gory details which private investigators love to reveal to

the committee of the other place on the question of whether or not adultery has taken place. The other two witnesses, so far as the proof of adultery on June 13 is concerned, do not matter. One of them did not have the foggiest idea about that night, and the other one did not remember about that particular night. Now we have a Mr. Armand Masse, who gives his age as 22, his address as Montreal, and his occupation as a collector. He was sworn through an interpreter and I presume would have testified in the French language, and had his evidence interpreted all the way through by the interpreter attached to the committee in the other place. He was shown a picture of the respondent and is asked whether he recognized it, and he said it was the respondent. Then he is asked:

Did you have the opportunity to meet Mr.—

and then he gave the name of the respondent, to which he answered that he had, twice. Here is a gentleman who did not know the respondent, as the grocer did for seven years. He had not lived in the house as a boarder as the cutter, the other witness, had. He had met him on two occasions. Then the question is:

Could you tell us on these two occasions what happened?
A. The first time I went there I gave a reason for going there, and I asked him who was living there with him, in the apartment, and he showed me his boarder and his wife.

Mr. Chairman, can you put yourself in that position? A man comes to your house. He does not know you, meets you for the first time, gives you a reason for coming to you, and asks you who is living in your house. Would you automatically say: "Yes, here is my boarder and my wife", when this individual is just a collector, unless he represented himself as a private detective, or something like that? Then the next question is:

Is the person that he showed you as his wife present in this room?
A. Yes, there.

Then he pointed to somebody who the chairman discovered by question was the co-respondent. This is a person, who is the co-respondent, in the committee room according to two or three different witnesses, and it is a wonder to me that the lawyer did not take steps to give testimony with respect to the allegation of adultery inasmuch as she was there in the committee room. She did not have to give evidence. Perhaps her lawyer asked her and she said no, but it would have been much simpler than to have had this parade of witnesses, so far none of whom knew anything at all about the alleged adultery having taken place on the night of June 13. The chairman continued:

Do you know the petitioner sitting beside her counsel?
A. I haven't seen her before this morning.
Q. On the second occasion what happened?

This is the second time he went back to the house where the respondent lived.

A. I rang the bell about two o'clock in the morning. A lady came out on the balcony in her night attire and said she would call the police if we stayed there, so we went back.

I would point out that there is no further indication in the evidence as to who those persons were; whether this person Armand Masse, who classified himself as a collector, went back with somebody else, or what happened. But the word "we" is used. Then the lawyer asked further questions:

Which person told you that?
A. The lady there at the back (indicating the corespondent).

Mr. Chairman, remember this. At two o'clock in the morning somebody comes to the house and rings the bell. On the evidence of this grocer this couple lived upstairs. Then a lady came out on the balcony and said that she would call the police if they did not go away, and that same person merely recognized her in the committee of the other place as the person who came out onto that balcony.

The Deputy Chairman: Order. I am sorry to interrupt the hon. member but I must inform him that his time has expired.

Mr. Scott: In connection with this bill, Mr. Chairman, there is one matter which I should like to draw to the attention of the committee. Having reviewed the evidence as we are required to do, I would take slight issue with the hon. member for Skeena. I think the evidence has proved the case and that normally the bill would be granted. However, there is one issue on this bill which we should consider, namely the matter of domicile. The members of the other place have taken the position that, in order to consider this divorce the husband to the marriage must be domiciled in the province of Quebec. On reviewing the evidence in connection with this bill I find there seems to be considerable doubt whether or not the husband in this particular case was domiciled in Quebec.

The evidence discloses that he was married May 8, 1945, in Braunschweig, Germany, and that he later came to Canada in 1947, where the couple lived in the city of Montreal. In 1949, the evidence discloses that he ran away and went to some place known as Toronto. The husband in this case would have a domicile of origin in Germany and could not acquire domicile in Montreal in the space of two years, or at least not without some substantial evidence being adduced in order to indicate that this event had taken place. As all hon. members are aware, everyone has a domicile of origin, namely the place in which

he was born and it stays with him throughout life unless it is relinquished and a domicile of choice is acquired. In these circumstances, the husband having lived in Montreal for only two years, there is no evidence that he ever acquired a domicile of choice in the province of Quebec. In any event, in 1949 he ran away to Toronto, although he later came back and lived in the city of Montreal once again.

The most important ingredient in the law of domicile is not merely living in a particular province but rather living there with the intention of remaining there forever. That is the essential ingredient which must be proven in order to show that domicile of origin has been relinquished and that domicile of choice has been acquired. In this particular case the only evidence we have before us is that of several witnesses, one of whom testified that the defendant's husband lived in these particular quarters for two years. The second witness says he thinks he lived there for six years. In those circumstances I am surprised that the other place would have entertained this bill. This evidence would clearly not prove domicile in the province of Quebec.

Under normal circumstances it would be required that the defendant husband be called as witness and that he be examined by members of the other place in order for them to satisfy themselves that he was not only living in Quebec but that he intended to remain there forever. There is no evidence that the gentleman was sinking his roots in the community, that he was carrying on a business, that he was owning property or that he was doing any of the other things which are usually regarded by the court in order to establish domicile of choice.

I notice that the defendant husband was served on October 16, 1961, and that the bill was considered on January 20, 1962. In the circumstances, it seems rather strange that the defendant husband was not brought before the committee since he apparently was readily available. Had he been brought before the committee, he could then have been questioned in order to establish his domicile. What I am suggesting to the committee is that perhaps this bill should be referred back for consideration of the matter of domicile. My submission is that the husband was domiciled in Germany, that on the evidence before us he has never acquired a domicile of choice in the province of Quebec and that therefore under the rules of the other place they could not have taken jurisdiction in this matter.

As I say, I cannot understand why this matter was not pursued in the other place. In any event, such appears to be the case. We therefore suggest that this matter go back to the committee of the house which previously considered it where proper, thorough and searching examination could be made of the whole matter of the domicile of the husband and where the committee could decide whether or not sufficient evidence existed so that the matter of domicile had been adequately proven. Then we could give further consideration to this bill on another day.

Mr. Howard: My friend from Danforth being a member of the legal profession obviously runs to the core of the problem of domicile whereas senators in the other place obviously disregard that matter as having no significance whatsoever and merely concern themselves with being a convenient vehicle for people with marital difficulties in Quebec. They will bend or twist the rules or interpret the evidence in any way they wish just so long as the divorce is granted. That was the point on which I was proceeding previously. We had reached the point of this particular witness giving evidence about his knowledge of what happened on the night of June 13. Questions are asked of him about this night when the adultery was supposed to have taken place after he rang the bell at two o'clock in the morning.

The Deputy Chairman: Order. It being six o'clock shall I report progress and request leave to sit again at the next sitting of the house?

Mr. Howard: Under normal circumstances I would ask consent to proceed further in order to clear up this matter. However, perhaps we can leave it to another day.

Progress reported.

NATIONAL ECONOMIC DEVELOPMENT BOARD

PROVISION FOR DEFINITION OF DUTIES, APPOINTMENT OF MEMBERS, ETC.

The house resumed consideration in committee of Bill No. C-87, to provide for the establishment of a national economic development board—Mr. Nowlan—Mr. Paul in the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

On clause 3—*Establishment of board.*

The Chairman: When the committee rose at five o'clock it had under consideration section 3. An amendment had been proposed

thereto by the hon. member for Hamilton East which reads as follows:

That section 3 be amended as follows: That the period in line 15 be replaced by a comma and the following words be added:

"After consultation with the principal organizations representative of trade unions, farmers, and other groups as the governor in council may determine."

Mr. Peters: Mr. Chairman, in speaking to this amendment before five o'clock I had suggested that the clause would be strengthened if rather than merely appointing these representatives after consultation with the organization they were to be designated upon request by the various organizations to which they belong. I believe that there should be representatives of business, labour, agriculture, consumers groups and other organizations interested in this field.

One of the problems we have had with other legislation, a good example of which is that having to do with the productivity council, arises from the fact that in that organization, for instance, while there is provision for consultation with the various organizations and some opportunity for them to be represented, difficulties have arisen with regard to acceptance by the government of the representatives of those organizations, and in my opinion this situation has not proved to be advantageous.

I go back a considerable length of time to when this country did have difficulties to face and when much greater assistance than simply participation was sought from labour, business organizations, trade groups and even consumer groups. At that time many of these organizations were allowed to appoint their own representatives and such a procedure means that representatives appointed in this way carry with them the responsibility of being able to commit the organizations they represent to some extent.

It seems to me that if the trade union movement, for example, is to be represented on this new board the representative of labour should be appointed in a manner which will allow him to commit the trade labour movement from the point of view of participation in the activities of the national economic development board. When he made a suggestion he would know that he would have the strength of his organization behind him and that the organization would throw its weight behind the suggestion. I put this idea forward for the simple reason that when the government makes an appointment they do not necessarily choose the person best qualified to represent the organization. This is true, of course, of business or any other organization.

I think of what happened in the United States when Wilson of General Motors was appointed by the government of that country to carry out a particular job. He took with him to that appointment the tacit agreement of General Motors that if he proposed a certain measure in the interests of the economy of his country General Motors would lend its support and help to put it into effect. Rather than the government simply consulting various organizations with regard to appointments to this board, I think the board would be strengthened if the various organizations were allowed to appoint their representatives, with the understanding that any suggestions they put forward would have the support of the organizations they represented.

I am not completely familiar with what has happened in the case of the industrial estates in the maritimes but I understand that such a practice has been followed to some extent in that instance. I understand that the representatives in the industrial estates—perhaps I should refer to it as the economic council—can to some extent commit the organizations which have appointed them, and I think this is very worth while.

I hope this suggestion will be given some consideration. It may be that the mover of the amendment would like to strengthen it by including some provision whereby representatives of various organizations would carry with them the authority to commit their organizations to some extent at least. The government is not going to provide all the impetus in the matter of economic development and I think those who participate as representatives must carry with them some responsibility for the organizations they represent and that the organizations should accept the responsibility of naming representatives to the advisory council.

Mr. Nowlan: Mr. Chairman, I have listened to the suggestion of my hon. friend with respect to the proposed amendment to section 3. I remember what he said about representing a group and I would remind him of what I am sure he is very conscious, the letter written by Edmund Burke to the electors of Bristol almost a century and a half ago as to the responsibility of those who represent certain groups in certain organizations, and even members of parliament in parliament. But without trespassing further on the time of the committee I would say I am prepared to accept the amendment which has been moved by the hon. member. With regard to the policy of the government consulting these various groups, I would point out we have discussions with various members of labour and agricultural organizations, and it would never be the thought of the government to appoint representatives to this board without consultation. Therefore,

Mr. Chairman, I am very happy to say we accept the amendment as proposed by the hon. member.

Mr. Martin (Essex East): The acceptance by the minister of the amendment proposed by the hon. member for Hamilton East represents a strengthening of the clause, as urged by the hon. member and supported by the hon. member for Timiskaming. As the minister has said, it would be inconceivable if in the establishment of a board such as this, consideration was not given to the important opinion of labour, management and other essential segments of Canadian opinion. Indeed we would be defeating the purposes of the bill. We would be ignoring the recommendations made by the productivity council's special mission to Europe.

I think we have a right to ask the minister what the government's view is with regard to the recommendations made by the special mission of the productivity council to Europe. Reference has been made a number of times to this very important report, a unique document in itself. We have not had from the government, from any of the ministers who have spoken nor can I recall any observations or supporting statements being made by any hon. member sitting behind the ministry. This is the clause on which we should have a statement of opinion from the government as to its view with regard to the recommendations made. It will be no answer to say that the recommendations were made to the productivity council, because that would ignore one of the essential features of this bill which should be predicated on labour-management co-operation.

On page 5 of the report of the special mission the commissioners unanimously agree on the course to be taken. They say, first of all, that there is a high level of economic activity in all of the countries in Europe visited by them. They point out that practically all of the labour forces are gainfully employed, and that generally job vacancies exceed the numbers not employed. They further point out that plant productive capacity, with few exceptions, is being fully utilized and that wages, both real and nominal, have been rising at an appreciable pace.

They point out that employers appear to be prosperous and confident for the future and then, at page 5, they go on to say:

> There is little doubt that labour-management-government co-operation has contributed greatly to this general prosperity. It would be misleading, however, to attribute the prosperity of Europe solely to this co-operation. Many factors, some of which have little relationship to labour-management-government co-operation, have played a major role in bringing about this prosperous state of affairs.

[Mr. Nowlan.]

They then go on to point out, on the same page, the principal factors involved in European prosperity. On page 6 they say:

> The mission was impressed with the spirit of the relationship existing between labour, management and government, the way in which they worked together in the national interest, and the mechanism of consultation and co-operation which has been established and used to achieve economic successes in most countries visited. The spirit of co-operation between labour and management and the process of consultation with each other and with government in economic development is not confined to the national level. The spirit has spread to the industry and plant levels in most countries and the machinery for consultation and co-operation is working in industries and plants through joint councils and committees at that level as well.

Then they conclude:

> At the national level the consultative function in economic development is carried out through joint councils or bodies whose members, particularly from labour and management, represent the major interests involved in the economic life of the country.

Then they point out the gap which exists between western Europe labour-management-government co-operation, and the measure of co-operation which prevails in Canada between these three important divisions of Canadian occupational interest.

This report cannot be allowed to gather dust. We are entitled to know from the government if it proposes to accept the recommendations made by this special mission to Europe. If the government is prepared to accept these recommendations, then the place to give effect to them is in this bill. Unless this is done we tonight are not going to be engaged in setting up an organism capable of doing what the special committee to Europe said is necessary to be done in Canada, if we are to meet the problems of production, the competitive position Canada has with regard to other countries, and the like.

I hope the minister will take advantage of our discussion on this clause to tell us that the government is going to implement this report. If the government is not prepared to implement it, he should tell us why, and indicate in what particular the report is not acceptable if it is not completely acceptable. Nothing less than this will satisfy those people who want to see us establish in this national economic development board an organism capable of doing the kind of thing that is being attempted in the United Kingdom and what is being done in France, Belgium and the other countries covered by the report of the special mission of the productivity council.

We have heard a lot from the government about labour-management co-operation, but we have not had any real evidence of a deep conviction on the part of the administration that this represents their point of view and

accepted philosophy of the kind of arrangements and relationships which must be established in the changing society which confronts us in Canada as in other free countries of the world.

It is significant that in 1961 the cabinet is supposed to have vetoed a proposal made by the Minister of Labour and the Minister of Trade and Commerce for a plan providing for co-operation between labour, management and the government, to work as a team in tackling Canada's economic problems. It is reported, moreover, that agreement was reached on the plan in March, 1961 at a conference of labour, management and government leaders in Ottawa, but that it was promptly suppressed later on orders from a higher level.

Has the situation changed? We were told that this plan, similar to the industry council plan set up in France, was agreed upon at the conference and that it was determined to set up a permanent tripartite council to foster continuing co-operation and consultation on economic problems, just as is being done in western Europe and Britain. This report, excerpts of which I have read tonight, supports what was attempted by at least two ministers of the government in 1961. A vital question now is whether in scuttling this 1961 plan the federal cabinet, and presumably the Prime Minister, were not in favour of the program for co-operation and consultation proposed. We are entitled therefore to have from the government its views on this special mission to Europe. We are entitled to know whether there is going to be a revival of the 1961 plan, and whether as a result we are going to make this bill the instrument which exists in European countries and which has contributed so much to the level of prosperity in that section of the world. I hope the minister—and I am sure he is—is taking notes and paying attention to what we are saying tonight.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): If he ignores what we are saying, I want to tell him that we are going to be persistent tonight because we want to make this bill a good bill. It is not now a good bill—

Mr. Nowlan: Keep reading from Tory documents.

Mr. Martin (Essex East): —and we propose by suggestions and amendments which we are going to make tonight and during the course of the discussion to try and make it a document comparable at least in principle and in substance to what they have in Britain, to what they have in France and to what one of our own government agencies has said we should have in Canada.

We have no evidence that the government has such an intention in mind, because we all recall the discussion concerning the Atlantic development board. We recall the discussion on the resolution with regard to amendments to the productivity council bill. We remember what the Minister of Labour had to say about the mobility of manpower and automation resolution. We recall, too, the initial statement made by the Minister of Finance. The result is that we have four boards functioning, dealing basically with the same purpose, operating under four different ministers, with no method or proposal whatsoever for co-ordination. This national economic development board ought to be the main body. It is the "national" economic development board. It ought to be able to give the guiding direction, not by compulsion but by persuasion, by example, to the Atlantic development board. It ought to be able to lay down for the productivity council ways and means of getting out of the embarrassing position in which that body finds itself as a result of the reluctance of labour to co-operate with the productivity council, because it feels that the productivity council does not operate on a wide enough base. But what do we find? We find this board, in clause 3, is going to be made up of a chairman and not less than 14 and not more than 24 members. I do not know how the minister arrives at this figure of 24 members. He has not told us. I would ask him to tell us why the membership of the productivity council is larger than that of the national economic development board, the body which should be the co-ordinating, overriding agency over all these boards which are designed to provide for the kind of limited concept of planning which the government has in mind.

The minister has not told us anything about the character of the representation to be provided by this board which is going to be made up of not less than 14 members. Are the provinces to be represented? This surely is an important consideration, because the minister himself mentioned, when he was discussing clause 2, that there were constitutional limitations within the jurisdiction of the federal government which made it necessary to rely on the action of the provinces, which have power under the property and civil rights clause of the British North America Act. Are the provinces to be represented on this board? Are the various sections of economic interest to be represented on this board? Are the Atlantic provinces to be represented on this board? Are the western provinces to be represented on this board? Are the farmers to be represented on this board?

Mr. Pickersgill: And the fishermen.

Mr. Martin (Essex East): What arrangement is being made to see that there is consultation with farmers' organizations, as well as with labour organizations, business organizations and, as my hon. friend from Bonavista-Twillingate points out, as one would expect, with organizations of fishermen. These are important considerations.

Mr. Chairman, I say to the minister this. This clause will determine at this stage of our discussion whether the government really intends to make this an effective board. If this is going to be simply another deception, another façade presenting something that is going to look good in form but with no real substance behind it, then we might as well know right now. But if it is to be a board capable of providing the planning we need in this country at this time, then we are entitled to ask the government to give evidence of its earnestness. This is the kind of board which should be dealing with unemployment, the balance of payments problem and other aspects of our economic life. It should have power and a relationship to the government away beyond what the ordinary board traditionally appointed by governments has been able to do under our system of government.

Mr. Nowlan: Oh, oh.

Mr. Martin (Essex East): Mr. Chairman, the minister is always in a happy frame of mind. If what I have said makes him even happier, or if he finds what I have said to be even more amusing, I can only say to him that if this is his reaction I for one draw the conclusion that this bill is not anything more than a form of well meaning effective deception, designed to convey to the Canadian people the impression that this government at long last has decided to establish an instrument to help it and future governments in planning to avoid the kind of situations which have confronted us during the past five years.

This is an important matter. What I have said tonight is what a government agency has urged upon this government. If the government does not accept what I have said, I ask the minister to tell us what are the recommendations of the special mission of the productivity council. I ask the minister to point out anything that I have said tonight that is inconsistent with their recommendations. If he does not accept the proposal which we have made, it will clearly be another indication that the government is going to allow this report of the special mission to gather dust; that nothing will be done about it; that the government will carry on in its traditional laissez faire manner, with no real attempt being made by the creation of a new organization to seriously confront the vital problems which affect Canada at this time.

Mr. Nowlan: Mr. Chairman, it is a great relief to me to be able for once to release and relieve the blood pressure from which the hon. member for Essex East suffered. I have always said that if, when the time comes —and it will probably come very soon—the electors of his constituency see fit to relieve him of the terrific burdens he bears in this house, he could undoubtedly obtain a position as a leading tragedy or straight actor and make a reputation for himself on the stage such as he has never succeeded in making for himself in the House of Commons. I want to relieve his mind about that.

For once he has not been reading from statements made from Liberal platforms. For once he has not been reading from speeches which he himself has previously made. Tonight he has been reading from a report of the productivity council, or a committee of that council which this government has recommended to be appointed and which this government sent over. I am very happy to see that for once the hon. gentleman established his position on firm grounds as he did at length when he read from this document prepared by a committee of the productivity council which this government sent overseas.

I can reassure the hon. gentleman at once. I can relieve his mind. This bill has been considered by the representatives of the productivity council, by representatives of labour and representatives of industry, and all the problems to which he has referred in such fear and trembling have been considered by those representatives and recommended to the favourable consideration of this house.

Mr. Sauve: This afternoon the Minister of Finance, answering a question by my hon. friend from Essex East, told us that the council could not be headed by a minister—that it was preferable to have somebody independent in charge, and so on. The government suggests that the council should consist of between 14 and 24 members. Is it the intention to appoint other ministers to the board, for example the Minister of Labour or the Minister of Trade and Commerce, or will the board be composed entirely of persons outside the government?

Mr. Knowles: I should like to say a few brief words, and when I say brief I mean brief, about the amendment which the government has indicated it is prepared to accept. I am glad it is doing so. I think an amendment such as might have been suggested by

this party would have been better, but I am glad the government is going at least this far.

The brief word I want to say is that I hope this amendment is being accepted in good faith and that it will be acted upon accordingly. I make this plea not just out of idle suspicion but out of some experience with the present government in the matter of consulting with at least one sector of the community before appointments are made. As hon. members know, I had a four year vacation from this House of Commons during which time I had the privilege of being an officer of the Canadian Labour Congress, the central body of the trade union movement of this country. I can say from personal knowledge and experience that there were several occasions, during those four years when there was no consultation before appointments of labour representatives were made by the present government; and there were also occasions when there was consultation, but when, despite the making of several nominations by the trade union movement, the government chose to appoint someone else altogether.

Several references have been made to the productivity council itself. One of the main reasons why president Jodoin of the Canadian Labour Congress found it impossible to sit on that body was that the congress was not consulted as to the people it would like to have as its nominees on that board. In fact, the government itself picked out certain labour people and appointed them directly. I suggest that if a board of this kind is to function efficiently it must be set up in a bona fide manner. The principle of this amendment must be accepted and carried out in good faith. If people are to be appointed as representatives of labour, agriculture, industry and so on, the organizations which speak for these sections of our community must be consulted, and consulted honestly. Unless, in making these nominations, any of these organizations goes completely haywire—and this is not likely in any of these fields—the government ought to accept at least one of the nominations put forward by these various bodies.

It is not necessary for me to give details of things that have happened in the past. I know whereof I speak. I am referring not only to instances in which I was personally involved, because my name was rejected—

Some hon. Members: Oh, oh.

Mr. Knowles: I hear laughter. I do not blame the government for rejecting my nomination for certain reasons, but for certain other reasons I think the nomination should have been accepted. To conclude, I say once more that if this board is to be made to work properly the amendment must be acted on honestly and in good faith.

Mr. Nowlan: Without accepting any of the references to past history which the hon. member has made, I say that the government has accepted the amendment moved by my hon. friend from Hamilton East. The government wants this legislation to work. It intends this legislation to work, and knows it will work, given the support of this committee which we expect we shall receive.

Mr. Nicholson: You will recall, Mr. Chairman, that in the early stages of this legislation, during the resolution stage, I spoke in support of this bill. I must confess that as a result of reading today's mail I am concerned over some of the statements which the minister has made this afternoon.

Under the terms of clause 3 of this bill we are to establish a corporation to be known as the national economic development board. Today I received the January issue of *Canadian Business* with a picture of the president of the national productivity council on the cover. An article beginning on page 28 headed "What's ahead for the productivity council" contains interesting and informative material on that subject. The president of the council, Mr. De Young says, in the course of this article on page 38:

> The unanimous decision of the productivity council has been that we take the broadest interpretation of our terms of reference permitting the council to engage in economic studies and projects relating to removing the road blocks through increased productivity.

Skipping the next two sentences and under the subheading "Role of Council in Relation to the National Economic Development Board" the president continues:

> At the present moment we are working to finalize arrangements by which the proposed national economic development board and the national productivity council will become one—

Are we going to bury this council before it is born? That is certainly the inference to be drawn from this article. It says:

> At the present moment we are working to finalize arrangements by which the proposed national economic development board and the national productivity council will become one, or at least co-operate in their operations.

My objection is to the words "will become one". I am disturbed to find that before this council comes into being, after the assurances we have had from the minister and others, the productivity council is planning to bring about a merger. Why create two bodies if there is any serious thought of there actually being only one? This highlights the importance and significance of the remarks made by the hon. member for Essex East a few

moments ago, that we are going to have four boards in fields which interlock and overlap, presided over by four different ministers, and at the same time the government is trying to marry two of them. I should like to hear the minister's explanation of that particular suggestion.

Mr. Berger: Mr. Chairman, the amendment that the minister has accepted is one which has led to a discussion of labour-management relations and members in all parties have indicated that they favour good labour-management relations. I think all of us are happy to see that such a firm stand has been taken on that issue. But, Mr. Chairman, it is essential when we are discussing labour-management relations, and what this government has or has not done in the past in this connection, to remember that labour and management must be allowed to conduct their negotiations with each other on the basis of equality. The hon. member for Essex East quite rightly pointed out that the government would have to take its courage into its hands and undertake a program of genuine economic planning if this legislation was to fulfil the promise that it holds.

Mr. Chairman, it seems to me that when we are discussing this subject it is pertinent to remind the government that when legislation abridging civil rights in British Columbia and Newfoundland in 1959 was passed by the governments of each of those provinces, it was a time which called for courage on the part of the federal government. Nothing in either of those provinces has done more, nor could anything have been calculated to do more, to destroy labour-management relations than the legislation which was passed at that time in each of those provinces. Hon. members will recall that in the province of Newfoundland legislation was passed which cancelled the certification held by a trade union.

The Chairman: Order. I am afraid the hon. member is straying a little from the point under consideration, which is a very brief amendment. I would ask for his co-operation.

Mr. Berger: Mr. Chairman, I appreciate Your Honour's intervention and I am grateful for Your Honour's advice. I hope Your Honour will bear with me as I am a new member in this house, and a new member of the committee, but I was seeking to show how essential it was that the federal government should be prepared to do everything which lies within its powers—and a great deal lies within the power of the federal government—to make sure that labour and management deal with each other on the basis of equality. Because it is the responsibility of the federal government to protect the rights of labour, in so far as it lies within the jurisdiction of the federal government to do so. I was urging it upon the committee that on looking back to the events of 1959 the committee would agree that had the government had the courage to exercise its power of disallowing legislation passed in Newfoundland—

Some hon. Members: Order.

Mr. Berger: —and legislation passed in British Columbia, there would be in each of those provinces a much larger degree of labour-management co-operation and harmony between those two economic groups than exists today. I think all hon. members can see the connection between the federal government's responsibility to establish labour-management co-operation in all parts of the country and the legislation which is before the committee this evening.

The amendment offered by the hon. member for Hamilton East is one which, as he quite rightly pointed out, was designed to ensure labour-management co-operation. I suggest most respectfully to the committee that it is the responsibility of the federal government to make sure that the civil rights of all sections of the community are protected. That includes, of course, protecting the rights of labour.

I do not want to conduct a survey of labour-management relations in all parts of the country, but I think I can speak with some authority on the state of labour-management relations in my own province. Of course, this bill and this amendment are designed to ensure that in British Columbia as well as in other provinces in Canada we will have a much larger degree of labour-management co-operation than we have had in the past. In my own province we have had a great deal of labour-management strife since 1959.

The Chairman: Order. Both the Chair and the committee as a whole, somewhat to my surprise, have been very tolerant of the remarks of the hon. member to date, which are moving very far from the narrow consideration of the amendment. This amendment has to do with the composition of the board, and asks that the following words be added:

> —after consultation with the principal organizations representative of trade unions, farmers, and other groups as the governor in council may determine.

I think out of fairness to other members of the committee, and notwithstanding the fact that the hon. member is new to this house, he should recognize that he is transgressing the rules. It is not fair that I should permit him to do so and then refuse to allow a more experienced member to do the same.

Mr. Berger: Mr. Chairman, let me once again express my gratitude to Your Honour for giving me your counsel regarding the rules of debate in committee. Believe me, Mr.

Chairman, it was not my intention in any way to be unfair either to Your Honour or to other hon. members of the committee. Let me summarize by saying it is simply not good enough for the government to express good intentions. Good intentions will not be enough if this legislation is to be successful in promoting labour management co-operation in all parts of the country. It will take a great deal more than good intentions. It will take courage, and I urge the Minister of Finance, whose responsibility it will be to make sure that this legislation achieves its objective, to carry it out in its spirit as well as in its letter.

Mr. Nowlan: Mr. Chairman, I might say in answer to the question put to me by the hon. member for Iles-de-la-Madeleine that it is not proposed to have any minister of the crown, as such on the board. Of course, that does not preclude the setting up of interdepartmental committees or cabinet committees, as everyone in this committee well knows. But there will be no minister of the crown on the board as such.

Mr. Fisher: Mr. Chairman, my remarks are merely to the mover of the amendment by way of brief congratulations to him for bringing it forward. Just last week I had the opportunity of sharing a platform with the hon. member, and he spent a great deal of his time expressing grave doubts about the power of trade union organizations in Canada, and where they had led some of the trade unions. He expressed considerable fears about the democracy which seemed to prevail in some Canadian unions, including one that is very prominent in his own constituency, namely the steelworkers. Therefore, I can assure him that he has had some kind of revelation in the last few days and is now prepared to put a great deal of faith in the trade union elite.

The Chairman: Shall the amendment carry?

Mr. Munro: I did not have the dubious honour of hearing what the hon. member for Port Arthur had to say. However, if it was anything similar to his usual remarks, I do not think I missed a great deal.

Amendment agreed to.

The Chairman: Shall the clause as amended carry?

Mr. Peters: I was very much interested in the amendment which has been accepted by the government. However, I think we may have overlooked the fact that in establishing—

The Chairman: Order. The amendment is carried. Shall clause 3 as amended carry?

Mr. Peters: No. I am speaking on the clause as amended. We have now had considerable discussion on what I would consider to be the establishment of half of the council, namely the half that produces the ideas and brings forth the representations from the various organizations and agencies of this country. If this is really going to be a planning board, I think it should have a planning section. In order to do this I suggest that we must have on the board people who have special qualifications in the matter of planning. This board should be a continuous thing. There should be attached to the board people who have high technical skills in planning our national economy, who have knowledge of economics and of the various technical fields with which the board will be dealing. For this reason I should like to move an amendment to clause 3, establishing the clause now amended as subclause 1 and adding subclause 2 to read as follows:

> At least one half of the members of the board shall consist of persons with professional, technical, academic or scientific qualifications.

I believe that this amendment is important in order to give continuity and in order to establish a board which will have available to it the advice required in order to put into effect the ideas that will be produced by the representatives of the labour movement, the business community and the other organizations which the government has now agreed will be asked by the governor in council to make representation to the board. I think this amendment will provide a balance between the two sections of the board, namely the planning section and the idea section. I believe this amendment, if accepted will strengthen the board and will eliminate some of the problems which have developed in other boards where this principle has not been given effect.

The Chairman: Is the committee ready for the question?

Mr. Bell (Carleton): The hon. gentleman has made a plea that the board should in one half of its membership consist of technically qualified persons. Superficially that suggestion may be attractive. If one looks at the matter superficially, it would appear that you should have certain experts as members of the board. However, when one analyses the matter he finds that the place for the experts surely is with the technical staff itself, something which is provided for in another clause of the bill to which the committee will come at a later stage.

If the hon. gentleman's amendment were to carry, one would have difficulty in interpreting what is professional, what is technical, what is academic and what is scientific. One would also have the further difficulty of determining what balance there should be

between professional, technical, academic and scientific. The words themselves, in my opinion, are not mutually exclusive. Indeed, I see no reason why one who is academic should not also be professional or why one who is scientific should not also be technical. In that respect the amendment perhaps presents some difficulty with regard to interpretation.

What I suggest to the committee is that the discretion and the power which will exist in the governor in council under subclause 1, particularly with the amendment making it representative of trade unions, farmers and other groups, will better enable the representative character to be carried out and will not confine the membership to the extent that is suggested by this amendment. In the mutual exclusiveness of the various four functions here I suggest there is something which ought not to be accepted by the committee.

Mr. Berger: I rise to support the amendment that has been placed before the committee by the hon. member for Timiskaming. We in this party believe that if we are going to have a genuine planning board, it must include not only representatives of economic groups who will of necessity serve on a part time basis, but also planners trained in economics, statistics and various other fields; planners who will be able to devote their full time to planning the future of the economy; who will be able to lay down a blueprint for Canada's economy; who will be able to chart a course in order to make sure that Canada's economy does not run upon the shoals of recession and depression.

We believe this means we must have full time people on the planning board who are doing the planning, who work together with representatives of economic groups, representatives appointed by those economic groups. We believe these planners must be full time people giving their full attention and directing their whole activities to genuine planning. If this board is going to work we believe the amendment that has been offered to the committee by the hon. member for Timiskaming is absolutely essential.

Mr. Nicholson: Before we vote on the amendment I think there is something we are entitled to know from the minister. This afternoon he assured us that there had been discussions between representatives of industry and commerce on the national productivity council and representatives of labour on the council and that they had agreed that their views had been taken into consideration before this bill was brought in. If that is so, can the minister explain why the president of the national productivity council would pose such a question as that contained in *Canadian Business* which I just read. Surely the committee is entitled to know that before we vote on this amendment or before we vote on the clause.

Mr. Nowlan: I apologize to the hon. member for Vancouver Centre for not having answered his question earlier. I overlooked it unfortunately when I was on my feet a moment ago. All I can say in reply to his question is that this bill was drafted after full consultation with the chairman of the productivity council. He approved of the draft. We discussed it with him. He sat in for hours and hours while the bill was being drafted. I am not responsible for what may appear in any publication, as the hon. member knows. However, I think any difficulty which has arisen as a result of this article is more apparent than real. As I said, I can give the hon. member and the committee assurance of the fact that this whole matter was given careful consideration with the member who is a good friend of the hon. member for Vancouver South, and a good friend of my own, namely the chairman of the productivity council, and he approves of this draft. As I said, I am not responsible for what appeared in a Canadian business publication but I can assure the hon. member there is no difficulty on that score.

As far as the amendment moved by the hon. member is concerned, I suppose nothing could be more innocuous. It provides that at least one half of the members of the board shall consist of professional, technical, academic or scientific people. I am sure everybody in this chamber tonight is either professional or academic or scientific or technical, either a technical politician or a technical farmer or something of that kind. I could not think of anything more innocuous. However, the hon. member for Hamilton East has moved an amendment which the government has accepted and that amendment says that the government shall appoint these people after consultation with these various groups. I think perhaps there is some conflict between the two amendments.

We have accepted the amendment of the hon. member for Hamilton East. As far as I am concerned I could not care less, but I do not think this amendment amounts to anything more than words. I am not prepared to accept or reject it but I would point out that we have already accepted the amendment of the hon. member for Hamilton East.

Amendment (Mr. Peters) negatived: Yeas, 71; nays, 82.

The Chairman: I declare the amendment lost.

Clause 3 as amended agreed to.

On clause 4—*Appointment of chairman.*

Mr. Gray: Mr. Chairman, I should like to inquire from the minister why the words "during good behaviour" have been included in subclause 1 which now reads as follows:

> The chairman of the board shall be appointed to hold office during good behaviour for such term not exceeding ten years, as is fixed by the governor in council.

I raise this point because it is my recollection that the words "good behaviour" are missing from the similar clause in the bill establishing the Atlantic development board. According to the Minister of National Revenue, who presented the Atlantic development board bill, the reason for leaving out those words was, as found on page 2519 of *Hansard* for December 10 last:

> —an advisory board which we hope would consist of outstanding men who would be giving their services without remuneration. I believe such men should not have a clause in the bill reflecting on their behaviour.

Then he went on to say:

> Men who are donating their services should not be hamstrung with a phrase reflecting on their behaviour.

Am I to infer from this that it is the intention of the government to appoint men of lower calibre to this board than they have appointed to the Atlantic development board?

The Chairman: Shall clause 4 carry?

Mr. Gray: Will the minister answer? May I have an answer?

Mr. Nowlan: No.

Mr. Webster: Mr. Chairman, I have an amendment to submit to subclause 1 of clause 4. The purpose of this amendment is to strengthen the bill. It is designed to give the board the status which it merits in the public administration of this country. If property constituted and effectively administered the board could become the most important agency ever established by any Canadian government. However, to perform this outstanding service and to attain this status the chairman, in the opinion of the New Democratic party, must have at least cabinet rank. I wish to submit a rather surprising witness to substantiate the point I am making. More than a year ago the *Financial Post,* which is usually friendly to the government—

Some hon. Members: Oh, oh.

An hon. Member: The joke of the day.

Mr. Webster: —began an editorial in this fashion, and I promise you, Mr. Chairman, that I shall not read the entire editorial:

> Chronic unemployment is the ominous symptom of very deep seated troubles in the Canadian economy and unless there are basic changes in business thinking, in labour attitudes and in government policies it is doubtful, indeed, if Canada can grow and prosper.

That is the beginning of an editorial entitled "Wanted—A National Ministry of Foresight". The writer goes on later to advocate the appointment of a federal ministry of planning under a minister, of course. But I do remind you, sir, that the new board will be obliged to provide the Minister of Finance with the following as set forth in the words of the bill itself:

> It shall be the duty of the board to furnish to the minister all such advice and information as will best assist the government of Canada in furthering a high and sustainable rate of economic growth in Canada, the strengthening of Canada's international financial and trade position and the achievement of the highest possible levels of efficient production and employment so as to ensure rising standards of living in all areas of Canada—

May I suggest that a board of this importance to the welfare of Canada needs a chairman who has the prestige and the authority of top cabinet rank, and in our view the most appropriate one is the Minister of Finance. Therefore I am pleased on behalf of this party to move:

> That clause (1) be deleted and the following substituted:
>
> "(1) The minister shall be chairman of the board."

Mr. Gordon: Mr. Chairman, I once had a very interesting occupation as chairman of a committee that looked into the organization of government machinery in Ontario. One of the purposes of the committee was to examine the relationship of boards, commissions and other agencies, to the government and particularly to the elected representatives of the people.

It seemed to us that, in the first place, there is a useful and proper role for boards and commissions of various kinds, but their responsibilities should be clearly defined, and I must say I think the responsibilities of this particular board could be more clearly defined than they are set out in the bill. It was suggested to us that at least in some cases individual boards and commissions should have a minister of the crown on them, either as chairman or as a member. I remember concluding at that time, and I still feel strongly that it is inappropriate for a minister of the crown to sit as a member of a board, commission or agency of government, with other members who are not elected and who could outvote him.

If, as is proposed by the amendment, the Minister of Finance were the chairman of this particular board, and the other members decided that for some reason or other they did not have complete confidence in his judgment, that he was not attending to his business or was just being silly, they would be able to outvote him. While I am all in favour of the appropriate people being able to outvote the Minister of Finance from time to time, and as soon as possible, I do not think this should be the prerogative of appointed officials and appointed members of a board. I would feel this whether the Minister of Finance was to be chairman or just an ordinary member of the board. I think it is wrong in principle, and I for one will oppose the amendment.

Mr. Nowlan: Mr. Chairman, the hon. member for Davenport and I very often agree on basic principles although we do not always say so, but I am happy tonight to say I agree entirely with the arguments advanced by him. I think it would be most inappropriate to have the minister on the board. If there were a very high salary, then you might persuade the Minister of Finance to retire and take over the job; but then he would cease to be the Minister of Finance. All I can say is that I concur entirely with the statements of the hon. member for Davenport, and that the government cannot accept the amendment which has been proposed.

Mr. Gordon: I would like to add I was not suggesting for a minute that the present Minister of Finance be got rid of in this way. There is no suggestion on the part of hon. members on this side of the house that the Minister of Finance should be bribed to vacate his present position. I think we will take care of that in due course.

Mr. Douglas: Mr. Chairman, what has been said by the hon. member for Davenport and concurred in by the Minister of Finance is true of certain kinds of boards. There are some boards whose function is quasi-judicial and there are boards which are purely administrative. I would agree that with those two kinds of boards it would be most inappropriate to have a minister sitting on them.

In the case of a quasi-judicial board he would, of course, be accused of bringing political pressures to bear in reaching decisions which should be made outside government. That is why a quasi-judicial board is set up. In the matter of administrative boards the same type of accusation would be made and a board would lose some of its non-partisan character, which is one of the main reasons for setting up administrative boards. However, in discussing this bill we have been repeatedly told that we are not talking about a quasi-judicial or administrative board. We are here talking about a planning agency. But really, as the bill stands, this is not a planning agency. This is a large advisory committee with one full time chairman and a group of prominent people who meet periodically throughout the year and who will make some recommendations which the minister may or may not consider. This is not planning.

If this is really going to be a planning board then there has to be very close liaison between the board, which is making plans, and the cabinet, which must pass on those plans and submit them to the House of Commons. In our opinion the only effective way you could have that kind of liaison is to have the minister himself preside as chairman of the board, in order to guide and participate in the deliberations of the board and to take the plans from the board to the cabinet. Otherwise this will not be a planning agency. This will be little more than an advisory board doing exactly what is done now by the productivity council.

This is why we think in this kind of planning agency there is a very vital principle to be considered, and that is close liaison with the policy making organization in democratic government, namely the cabinet. The only way to have that is to have the minister himself as chairman of the board.

(Translation):

Mr. Gregoire: Mr. Chairman, I just heard some fine pronouncements on state planning. I personally think that there is no need for any state planning. Indeed, if I have some planning to do, I am perfectly able to do it myself. Therefore we do not need such planning by the state which the hon. member for Burnaby-Coquitlam (Mr. Douglas) just suggested.

It is quite enough to see that the United States does the planning for the Liberal party, without this country's government also subjecting itself to planning.

The Deputy Chairman: Order. To my mind, the hon. member's remarks have nothing to do with the amendment which the committee is now discussing; I am sure that the hon. member will try to relate his remarks to the debate on the amendment so that they may be relevant to the matter under discussion.

Mr. Gregoire: Very well, Mr. Chairman.

With regard to the amendment, I just wanted to say that I objected to what I would call a kind of state planning as suggested by the amendment now before the house.

As a matter of fact, such state planning implies that the blueprints for our economy

be set up by some department, for instance the Department of Finance, instead of leaving this to the individual who is able to do so.

That is why we, on this side of the house, will oppose state planning as suggested by the amendment before us.

(Text):

Mr. Douglas: Mr. Chairman, I rise for only one purpose. That is to say that when my hon. friend deplores planning by the government, being a comparatively recent convert to Social Credit he may not yet have had time to read the books of Major Douglas, who advocates among other things the establishment of a just price for every commodity on the market from shoe-laces to airplanes. If my hon. friend can tell me how to set a just price for everything on the market without planning, I should like to know how he proposes to do it.

(Translation):

Mr. Gregoire: Mr. Chairman, I have read the books written by Major Douglas, which the member for Burnaby-Coquitlam has just mentioned, and I can tell him how fair prices could be established without state planning. It could be done through the simple application of the law of supply and demand which remains the best way of controlling the economic relationship between individuals, between producers and consumers.

(Text):

Mr. Davis: Mr. Chairman, in focusing on this clause I believe we are confronted with the nature of the planning process. The group in the far corner, the New Democratic party, have extolled to the government the effectiveness of the French system of planning. At the very top in the French system they have a conseil du plan which consists of no less than 57 members. This is not even an advisory board; it is, in the language of the London *Economist*, a "talking shop". It is not at all effective. The group that is really effective is the staff, the secretariat which works, under the chairman, with the industries of France. Essentially there are some 3,000 members who work with some 300 industry committees. These industry committees are substantially voluntary bodies set up by labour and management.

That to my mind is much more democratic than a hard and fast board at the top which makes the laws, in effect, tells the cabinet, the elected representatives of the people, what policies should be followed and passes directives on to industry. I am for the more democratic process, the one which sets up a board which is purely advisory. Put all the representatives you want on it from different walks of life and interests, certainly, but let it be more a talking shop than a board which gives orders to the rest of the economy.

Mr. Berger: Mr. Chairman, I think a word ought to be said in reply to the misleading statements just made by the hon. member for Coast-Capilano. The amendment offered to the committee by the hon. member for Vancouver-Kingsway was designed to make sure that we have responsible planning, democratic planning. We believe that the planning board ought to have as its chairman a minister of the crown responsible to parliament and the people. I take it this is something that is opposed both by the minister and those who sit in the official opposition.

Surely, Mr. Chairman, even the hon. members of the official opposition can understand that if you have a planning board chaired by a minister of the crown, that it will be a planning board which is responsible to the elected representatives of the people in this parliament—far more so and to a much greater extent than a planning board which has no direct responsibility to this parliament.

It will have to be the responsibility of the federal cabinet to act as the ultimate planning agency, because after all the cabinet is responsible to the parliament of Canada, to the elected representatives of the people and to the people of Canada as a whole. Surely all hon. members in this house ought to be able to rid themselves of such pejorative clichés as "state planning" and "controls" and ought to be able to see at last that it is time we caught up with the rest of the world and adopted genuine, responsible, democratic, economic planning.

The Deputy Chairman: Is the committee ready for the question?

Amendment (Mr. Webster) negatived: Yeas, 13; nays, 125.

The Deputy Chairman: I declare the amendment lost.

(Translation):

Mr. Gregoire: Mr. Chairman, on a point of order, I wish to draw the attention of the house to the fact that this time the Liberals have supported the Conservatives. I want this to be mentioned in *Hansard*.

(Text):

The Deputy Chairman: Shall clause 4 carry?

(Translation):

Mr. Cook: Mr. Chairman, in subsection (1) of section 4, we read the following:

> The chairman of the board shall be appointed to hold office during good behaviour for such term not exceeding ten years, as is fixed by the governor in council.

National Economic Development Board

A similar term of ten years is also mentioned in subsection (3) of the same section.

Now, I believe that we should think this over, as we have deplored in past years that persons had been appointed by the Liberal government of that day to important positions, for a long term, and now we must go on putting up with them, even though they are not experienced as they should be.

I feel that this national economic development board, the establishment of which we are approving, is a body which should bring positive results as soon as possible.

That is why I think that a 10 year period would be too long. The chairman could always be reappointed after a certain time, if his services are really satisfactory.

To that end, I should like to move the following amendment to this clause:

I move, seconded by Mr. Plourde, that subsections 1 and 3 of section 4 of Bill C-87 be amended and that the words:

for such term not exceeding ten years

be replaced by the words:

for such term not exceeding five years.

I ask the Minister of Finance (Mr. Nowlan) to study this amendment closely and to accept it.

The Deputy Chairman: Order. Mr. Cook moves that subsections 1 and 3 of section 4 be amended by having the words:

for such term not exceeding ten years

replaced by the words:

for such term not exceeding five years.

(Text):

Mr. Nowlan: The hon. member who has moved the amendment was good enough to tell me a little while ago of his intention to do so and in the short interval which has elapsed since then I have been giving this matter some consideration. Ordinarily, I think, the difference between an appointment for five years or for ten years would be a matter on which no great issue could be taken but, as I told the committee yesterday when we were debating this point, I believe we have to appoint to this board as chairman someone who is outstanding in the economic life of Canada—someone who will command the respect, admiration and support of people in business and industrial life throughout the country. I will put this to the hon. member who has just moved the amendment, as well as to other members of this committee: would it be possible to obtain a man of that calibre if the appointment were limited to five years?

Theoretically it might be possible. One might be able to go out of here tonight and put a finger on a person of this kind prepared to serve in this capacity for five years, but I suggest one would probably be faced with the consideration of someone who was relatively young and inexperienced—someone starting out in life who would be prepared to accept the appointment as a highly satisfactory one—someone, it is true, who might grow into the position. Alternatively one would probably be considering a man on the verge of retirement. I do not think these are the type of appointments which the government has in mind. This appointment is the key to the situation. If this committee believes in a productivity board, as hon. members have all said they do, I suggest it would be most improbable that we should get a person of the calibre we are seeking to come to this board and serve for a period of five years. Anyone who has practical knowledge of these matters will realize the difficulties with which we would be confronted.

I have no time now to go over the other boards which have been appointed by governments, preceding governments as well as this government, but I doubt very much if there are any on which the chairman has been appointed for periods of less than seven years. Most of them have been appointed for ten years. Let hon. members cast their eyes at the various boards—the tariff board, the income tax board and all the rest—which come within the framework of the Canadian economy. I suggest seriously to this committee that the amendment should not be accepted, because by so doing we would seriously prejudice the government in its selection of the type of man we would want to occupy this position.

Mr. Ryan: Would the minister accept a seven year period?

Mr. Pickersgill: As I understand it, what the minister is saying is that he cannot get someone to take this position unless there is provision for a ten year tenure.

Mr. Nowlan: I did not say that. What I did say was that I doubted very much if it would be possible to get the type of man we want for this position unless the appointment was for ten years. I did not say it would be impossible. Anyway, until the committee and parliament have passed this bill we are not making any appointments to this position.

Mr. Pickersgill: Since June 18, particularly, we have had a series of appointments made by this government which, though they were mostly of people who were elected or failed to be elected to this house at one time or another, have not inspired in me very much confidence that the primary qualification which the government looks for in appointments is competence. There never has been, I think, at any time in the history of Canada such widespread patronage as there has been

in appointments since June 18. I am not questioning the good faith or the good intentions of the minister, but it will not be the minister who will make the final decision in this matter; it will be the minister's leader, in whose judgment in these matters I have no confidence whatsoever based upon the quality of the appointments he has made in the past nine months.

It seems to me that for us to vest in this minority government the power to make appointments of this character for this length of time would be a most irresponsible thing to do, if it can be avoided. For that reason it seems to me that since an amendment of a reasonable character has been offered it would be a desirable thing to support it. Moreover, I doubt that anyone would be inspired with very much confidence in any tenure under this government after the way they treated the former governor of the Bank of Canada. The notion that anything put into a statute could be any protection for anyone as long as the hon. gentleman who is Minister of Justice—

Some hon. Members: Order.

The Deputy Chairman: I am sure the hon. member realizes that he is now going too far from the clause or the amendment. I hope he will give me his co-operation by making his remarks relevant.

Mr. Pickersgill: I am afraid that because of the interruptions from the other side Your Honour was not able to hear me, because I was discussing the tenure of office of the chairman of this board in the light of experiences we have had. If that kind of argument is not permitted in committee I do not know what it would be possible to say that would be relevant. But I do maintain that no one who displeases the Prime Minister or the Minister of Justice can count upon his security as long as those two gentlemen occupy the treasury benches. In addition it occurs to me that to give this moribund government any more power than need be given to it would be a mistake. For that reason I am inclined to vote for the amendment.

Mr. Herridge: I am happy on this occasion to rise and support the minister in his contention. I thought he stated the case very well, and because it is the custom of members of this party to approach these problems in a constructive and non-partisan way, I do not hesitate to say so. We believe that in this instance the minister gave sound reasons for his point of view. We do not think we should play politics with a serious matter of this sort. We do not hesitate to put forward our point of view when we disagree with the government or with the opposition, and since this is an occasion when we agree with the government I should like to reiterate something which the minister has said, but in my own words.

Anyone with any knowledge of administration would realize that we are not going to get the type of man required to be the chairman of a board such as this, possibly a man of middle age or close thereto, to undertake such a large scale and important job when he is faced with retirement after five years. There is always a safeguard: if a person appointed to this important position is not fulfilling the position to the satisfaction of the government or the people of Canada, there are other ways of seeing that the situation is corrected.

Mr. Olson: Mr. Chairman, I hope the minister will reconsider what he has said with respect to accepting this amendment. Because surely all the arguments he advanced are answered in subclause 3 of this clause where it states very clearly that the chairman or any other member can be reappointed. I bring this matter up only because if during the five year period the chairman proves that he is doing the job in line with what is anticipated as a result of the board, he can be reappointed for a further five year period. Then we would avoid invoking subsection (4) and the embarrassment and difficulties which would go with that, as mentioned by the hon. member for Bonavista-Twillingate a few minutes ago, I would hope that the minister would reconsider this matter, because surely if this chairman does do his job properly he can be reappointed for another five year term.

Mr. Fisher: Mr. Chairman, as usually expected from a historian, the hon. member for Bonavista-Twillingate has given us something to think about, reaching as he did back into recent and not so recent history to indicate that this may be a worth-while amendment. He has presented us with a bit of a dilemma since he put the case so well, such as the point that this government has perhaps been guilty of a certain amount of patronage. Some of us have had this argument somewhat neutralized because we have a bit of an historical perspective ourselves. We can go back to that golden age of Canadian politics which we heard about last night, when nostalgia flowed and we were back to the golden age of the 22 years. In this period we had a government in power which was so upright that it would never, of course, be guilty of anything like patronage. But since its defeat we have had revealed a peculiar kind of back door or swing door patronage. I wonder whether we really can accept the arguments made by the hon. member for Bonavista-Twillingate. I am thinking of the hon.

member himself as an example, perhaps, of this back door patronage. After all, he had an important position in the civil service, and suddenly he is stood forth and revealed as a Liberal with a capital "L". We have had such people as Mr. Drury, who was a deputy minister, and suddenly he is stood forth as a Liberal with a capital "L".

The Deputy Chairman: Order. I would ask the hon. member to make some remarks which have relevancy to the amendment now before the committee moved by the hon. member for Hamilton East.

Mr. Fisher: Mr. Chairman, I am surprised that you cannot see the relevance of this to the historical argument which has been presented. The relevance is that if the Drurys and the Sharps and the Pickersgills, and people like these, have been revealed belatedly as partisans, how can we place any trust in this particular argument? Therefore as far as we are concerned, we have to take, as the hon. member for Kootenay West said, an objective non-partisan point of view and decide to support the argument of the minister. But it certainly does not seem right to me that we can accept the general indictment that was drawn by the hon. member for Bonavista-Twillingate—

Mr. Pickersgill: Would the hon. member permit me to ask him a question?

Mr. Fisher: Yes.

Mr. Pickersgill: Did the hon. member for St. Antoine-Westmount, or did I, get any 10 year guarantee when we went into public life?

Mr. Fisher: Well, I am afraid that it is never too late for these things to happen, Mr. Chairman. I should like to say to the hon. member that he must have been given some kind of guarantee. After all, Mr. Chairman, with all those majorities in Bonavista-Twillingate there seems to be almost a guarantee given by somebody.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, after this interesting exchange into retroactive patronage, perhaps we had better get back to the question of the appointment of the chairman. I also find myself in agreement with the minister, and for the first time since this debate commenced. I think that if we are to have a chairman of this body, about which I still have great doubts, then he will have to have some security of tenure. I was not at all impressed with the argument of the hon. member for Medicine Hat, which was that the chairman can be reappointed. That would be true if we had a provision for appointing him for six months and you could reappoint him every six months; but I suggest that it would be a rather peculiar character who would accept appointment on that score. I am more interested in what are to be the functions of this chairman than in his personality.

I was interested earlier this evening to hear the hon. member for Coast-Capilano draw some comparisons between his idea of what this body should be, and the agencies for economic planning in France. I am sure he knows as well as I that the large council he referred to is a comparatively recent addendum to the planning agencies of France. The really important one has been the commissariat du plan which had very wide powers and which, moreover, as its first steps, took large strides in the field of public ownership and control of private enterprise. I think we should realize that in France this council is, as he suggested, merely a talking shop, and I suspect a screen erected at a later date to control the activities of the real planning agencies of France. In conclusion, I must say that I am surprised that any member of the Canadian House of Commons considers that this country is in need of another talking shop.

Mr. Matheson: Mr. Chairman, may I say a word on this question. Some people suggested years ago before there was any recommendation by the Gordon commission for this kind of board that there might be great advantage to Canada in making money available—perhaps one might suggest the sum of $20,000—for various departments so that the ministers of those departments could choose with some freedom the people who would be of assistance to them in formulating and integrating economic policy. They would account for this money to the Auditor General. This would leave with and repose in the cabinet and particularly those persons charged with the key ministries the opportunity to seek out the best economic guidance and help available to them as they chose to obtain it. Such a proposal would afford the minister the opportunity to make inquiries in fresh fields, and would enable him to be creative even with his own deputies and his own departmental heads. In the creation of the board I do not think any of us really want to see the duplication of a civil service, nor do we want to see erected in Canada something which is going to replace the cabinet from the standpoint of being the decisive policy-making organization of the country. That would be an idea which would certainly not appeal to me.

It seems to me very important, particularly in such portfolios as finance, trade and commerce, labour and so on, that there should be far more integration and co-operation between departments than we have had demonstrated over the past several years. One of

the problems is this. Who is going to be the person integrating and actually helping with respect to this key advisory role? This is an important matter. Many Canadians do not think this particular ministry is going to survive for very long. Suppose it does not survive. Suppose this ministry is defeated or suppose it goes to the country shortly, not to return? Does it make sense then or is it conceivable that the kind of person who may be selected by the present ministry which in six years has been unable to make and formulate any economic plan of any kind whatsoever, long range or short range, is the kind of person who is then going to preside over an economic board that is going to be guiding the destinies of this country for the next ten years?

What is the situation? I submit that it is of great importance that the person who is going to be giving economic advice to the cabinet is the kind of person who is going to command the confidence of the cabinet actually from day to day, from week to week and from month to month. Of course we need the best kind of person available. It may very well be that the kind of person who would be appointed by the Minister of Finance or by the cabinet would, in fact, be the same kind of person that, for instance, a new Liberal government would appoint. It may well be that we admire the same kind of economic brains. There are not many people in Canada who are capable of doing this kind of job on a first rate scale. We should have to look hard in order to find the right kind of person.

But suppose we did not get the right kind of person. What the hon. member for Bonavista-Twillingate has indicated is that on the part of certain people on this side of the chamber there is a marked lack of confidence with respect to some of the appointments that have been made by this administration. Now, in their dying hours, does it make sense that for ten years they would be the people to determine who would be setting the economic course for Canada after they are perhaps no longer in a position to give any guidance or leadership and when they are not going to be in a position to be supported by those people over here? I refer to the Creditists. I submit that we may be in a position of a long tenure of office. We may be in a position of having to come to terms with the gentleman who is appointed by this administration and saying, "My dear sir, we honour you, we respect you, but we have got to pay you off, we have got to provide a pension, because you are not the kind of person who should be setting the fortunes for this country".

Mr. Chairman, I wish to point this out. When we express ourselves on this kind of problem, our view must be responsible. It must be just as responsible in economics as it has been, for example, in my opinion in the field of defence. We must consider the likelihood that we shall be running Canada shortly.

Some hon. Members: Oh, oh.

An hon. Member: Dreamer.

Another hon. Member: Put it out of your mind.

Mr. Matheson: I hear some interjections, Mr. Chairman. Some one says to put it out of our mind. However, may I say that the burden of the Liberal party today is that we must have it in our minds all the time. Everything we recommend in the field of economics or finance is simply predicated on the fact that we cannot do the popular, the easy or the sloppy thing. We must do the thing which is likely to produce the best results when in a few months we will have the duty of running the show.

The Deputy Chairman: Order. I should like to point out to the hon. member that the amendment is to change the term of the chairman from five years to 10 years. I think that is the only question we have to discuss now.

Mr. Matheson: On the occasion on which I was introduced to the twenty fourth parliament a day in June of 1961—

An hon. Member: A sad one.

Mr. Matheson: My friend on the government side says it was a bad thing.

An hon. Member: A sad thing.

Mr. Matheson: However, on that sad or bad occasion my introduction to parliament was to observe the present Minister of Justice, then rejoicing in the portfolio of minister of finance, telling the country how he felt compelled to get rid of Mr. Coyne. This formed in my mind an unforgettable impression.

The Deputy Chairman: I am sure that the hon. member in his remarks will give his co-operation and that he will try to limit them to the amendment moved by the hon. member for Montmagny-L'Islet.

Mr. Matheson: What I am saying is this, Mr. Chairman. Perhaps partly as a result of being elected in four general elections which covered 22 years, we know what this means. As a party we know what this means.

The Deputy Chairman: Order. I would suggest to the hon. member that he read

article 35 of the rules. I would ask him to make his comments relevant to the amendment under consideration.

Mr. Matheson: Mr. Chairman, I will be entirely relevant. What I am saying to the committee is this. It is our Liberal tradition and our attitude to honour appointments made, to work with people who are in the public service and to do so co-operatively and fully. In order to do this we think it is rather important that there not be a return to this type of Coyne episode, one which shook this country and shook the financial structure of Canada not very many months ago and which was perhaps the beginning of a sharp economic decline—and certainly a monetary decline.

We naturally expect that appointments will be made in these dying hours. We expect that situation. There have been many such appointments in these dying hours of this twenty fifth parliament. We are going to work with these people who may be appointed. We are going to work with them as honourably and in as trusting a manner as possible. We are going to work with all people who have served Canada faithfully in the public service and are not going to deride them and tear them to pieces. It is our tradition to treat these people as some of the great people of Canada. But we have a responsibility now, with a key position, the appointment of an economic chairman who will be influencing the economic destinies of this country—

Some hon. Members: Oh, oh.

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

Clause 4 stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I inquire what the house will do tomorrow and the rest of the week?

Mr. Churchill: We will be on estimates, Mr. Speaker, starting with the Department of Labour. If that department is completed, then we shall take the Post Office Department.

Mr. Chevrier: Does that mean that we shall be on estimates on Thursday and Friday as well?

Mr. Churchill: I think that is quite likely. If we complete those departments, we will call another one.

Mr. Chevrier: May I ask the house leader if he can tell the house whether there will be a supply motion on Monday, as he has already indicated to the press.

Mr. Churchill: I think everybody was anticipating a supply motion on Monday and I can say that is the present intention.

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

HOUSE OF COMMONS

Wednesday, January 30, 1963

The house met at 2.30 p.m.

MARINE AND FISHERIES

MOTION TO REFER CERTAIN MATTERS TO STANDING COMMITTEE

Mr. Frank Howard (Skeena): Mr. Speaker, with unanimous consent I move:

That the standing committee on marine and fisheries be authorized to examine and consider (1) the recommendations of the international north Pacific fisheries commission that the stock of halibut in the eastern Bering sea and the stock of herring off the west coast of the Queen Charlotte islands each be exempted from the abstention principle contained in the international convention for the high seas fisheries of the north Pacific ocean, (2) the international convention for the high seas fisheries of the north Pacific ocean, and (3) the last annual report of the international north Pacific fisheries commission and, in particular, to examine and consider the possible harmful effects which such recommendations may have upon Canada's fisheries and with authority to report its findings and recommendations from time to time.

This motion is seconded by the hon. member for New Westminster (Mr. Mather).

Mr. Speaker: I suggest to the hon. member that this is a substantive motion and therefore in my opinion it requires notice. Under the circumstances it could not be acceptable at this time without the appropriate notice.

Mr. Pickersgill: Mr. Speaker, the hon. gentleman asked for unanimous consent, and we would be glad to accord it.

Mr. Speaker: If there is unanimous consent, of course, it can be moved. Is there unanimous consent in this regard?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I regret that there is a dissenting voice.

Mr. Howard: On a point of order, may I draw to Your Honour's attention and the attention of the house that my first words were "with unanimous consent I move", and no one objected throughout the entire reading of that motion.

Mr. Speaker: That is not in accord with the rules.

Mr. Howard: Mr. Speaker, could we be permitted to find out who objected?

Mr. Pickersgill: The government.

UNEMPLOYMENT INSURANCE ACT

AMENDMENTS TO EXTEND COVERAGE TO FARM WORKERS

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale) moved for leave to introduce Bill No. C-110, to amend the Unemployment Insurance Act (agricultural employees' coverage).

Some hon. Members: Explain.

Mr. Rapp: Mr. Speaker, I was disappointed, to say the least, that the commissioners appointed to inquire—

Mr. Speaker: Order. I must inform the hon. member that he may in a few succinct words explain the purpose of the bill, without advancing any argument.

Mr. Rapp: The commissioners appointed to inquire into the Unemployment Insurance Act, in their report dated November, 1962, on the one hand recommended that the general principle—

Mr. Speaker: No. What is the purpose of the bill?

Mr. Rapp: The purpose of the bill is to bring employees in agriculture under the provisions of the Unemployment Insurance Act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

(Translation):

CANADIAN NATIONAL—EMPLOYEES ATTENDING JOB INSTRUCTION TRAINING COURSES

Question No. 1,205—**Mr. Rinfret:**

In 1961, how many C.N.R. employees at the supervisory level took job-instruction training courses and, of these, how many were French speaking?

Mr. McBain: During 1961, 499 employees of supervisory rank on the St. Lawrence division took training relating to their work responsibilities. The records do not indicate the racial origin of the employees enrolled but from examination of supplementary data it is estimated that approximately 263 were French speaking.

Questions

(Text):

TITANIA ELECTRIC CORPORATION OF CANADA

Question No. 1,280—**Mr. Matheson:**

1. What is the value of the prime contracts and of the subcontracts between the government and the Titania Electric Corporation of Canada Ltd. in each of the years 1958 to 1962 inclusive?

2. What was the maximum profit allowed to Titania Electric Corporation of Canada Ltd. on the aforesaid contracts in each of these years?

3. Was a government audit conducted for each of the prime contracts in these years?

4. Was a government audit conducted on all the subcontracts during the years 1958-1962, and, if not (a) for which subcontracts were audits not conducted (b) what was the total value of these unaudited subcontracts?

Mr. O'Hurley: 1. The value of prime contracts in each year is as follows: 1958, $80,844.36; 1959, $34,524.48; 1960, $267,282.17; 1961, $62,786.74; 1962, $1,553.70.

There are no subcontracts between the department and the company, but the company has received subcontracts from prime defence contractors as follows: 1958, $81,599.00; 1959, $114,968.00; 1960, $231,779.00; 1961, $283,046.00; 1962, $174,080.00.

2. In the case of the prime contracts, five contracts valued at $348,290.98 provided for no profit, three contracts valued at $76,810.09 provided for a profit of 7½ per cent, two contracts valued at $4,555.00 provided for a maximum profit of 10 per cent, and information on the profit of 22 small contracts valued at $17,335.38 is not readily available.

In the case of subcontracts, the company has certified that it has calculated all costs in accordance with government regulations and that its estimated profit is not in excess of 10 per cent.

3. No. Government audit action has been completed on three prime contracts valued at $152,456.65 and is incomplete on three others valued at $261,340.68 as the work is still in progress.

4. No. (a) None of the subcontracts has been audited. (b) $885,472.00.

REFUSAL TO PERMIT U.S. STUDENTS TO FLY TO CUBA

Question No. 1,281—**Mr. Berger:**

Did the air transport board or anyone acting on its behalf, on December 27, 1962, refuse to allow a group of United States students to take off from Toronto to visit Cuba and, if so (a) under what authority did the board purport to act (b) has such authority been invoked before in similar circumstances and what were those circumstances?

Mr. McBain: On December 21, 1962, the board denied a Cuban air carrier permission to operate a charter flight Toronto-Havana transporting American students.

[Mr. McBain.]

(a) On December 21, 1962, an applicant Cuban air carrier had not complied with the requirements of the air transport board and Department of Transport to become eligible to operate charter flights into and out of Canada.

(b) Yes, when carriers have failed to meet the requirements of the air transport board and the Department of Transport.

PSYCHOLOGISTS IN PENITENTIARY SERVICE

Question No. 1,283—**Mr. Orlikow:**

1. Of the nineteen psychologists employed in the penitentiary service, how many have B.A., M.A., and Ph.D. degrees?

2. Are any of the nineteen employed in psychologist positions without satisfactory completion of the basic undergraduate degree?

3. In addition to their defined responsibilities in relation to the inmates, do the psychologists have other duties and, if so, what are these other duties?

Mr. Bell (Saint John-Albert): 1. Only 9 of the 19 positions are filled at present on a full-time basis. Of these, 5 have B.A.'s, 3 M.A.'s, 1 Ph.D. There are 3 part time psychologists, 1 B.A., 1 M.A., 1 Ph.D.

2 All those employed are graduates, but B.A. degrees do not give accepted professional status.

3. They are also responsible for the psychological assessment of staff applicants and for some training of staff.

TRAINING OF CUSTODIAL OFFICERS

Question No. 1,286—**Mr. Orlikow:**

1. Is remunerative recognition given to professional penitentiary staff who have qualifications exceeding the minimum requirements of the penitentiary service?

2. Are there monetary incentives provided for custodial staff in our penitentiaries to improve their education and training for greater proficiency in job performance?

3. Do all custodial officers in our correctional institutions receive training in the behavioural sciences by qualified professional staff?

4. Does the federal government contemplate the provision of training grants and bursaries for its employees in the field of correction and welfare in view of the fact that moneys are now made available to the provinces for similar training in these fields?

Mr. Bell (Saint John-Albert): 1. Yes, in that minimum requirements qualify the individual for appointments to positions of minimum grade only, whereas higher qualifications are recognized in that the appointment is made in a higher staff category.

2. No.

3. No.

4. This matter has been under discussion, but not because of the fact that moneys are now made available to the provinces for similar training. No decisions have been reached in this matter yet.

ALERT SERVICE, TORONTO

Question No. 1,288—**Mr. Fisher:**

Has the R.C.M.P. any knowledge of the objectives of the Alert Service, P.O. Box 173, Station Q, Toronto, and, if so, has the R.C.M.P. co-operated in any way with the service, either with advice or funds?

Mr. Bell (Saint John-Albert): The R.C.M.P. has knowledge of the objectives of the Alert Service and has co-operated with this service as it does with any reputable news media. It has not co-operated with funds.

(Translation):

*REQUEST FOR LICENCE FOR THE RE-BROADCAST OF PROGRAMS ORIGINATING IN AMERICAN TELEVISION STATIONS

Question No. 1,289—**Mr. Dube:**

1. Has the Minister of Transport recently received from the mayor and the city council of Campbellton, N.B., an application for the immediate granting to the North Shore Community Television Ltd. of a licence for the microwave rebroadcast of programs originating in an American television station and, if so, has a licence been granted or will it be granted?

2. If a licence has been refused, on what grounds was the decision made?

Mr. Balcer: 1. North Shore Community Television Ltd. applied for authority to establish and operate a microwave relay in conjunction with an existing community antenna television system to carry programs from broadcasting stations located outside of Canada. No licence was granted.

2. Departmental policy states that the department may give consideration to an application which is predicated on the use of a radio relay where the programs are to be received from a transmitting station located in the United States provided the area does not receive any Canadian television service either directly or by CATV and the application complies with other technical requirements.

(Text):

*CAMPOBELLO, N.B.—CUSTOMS SERVICE ON BRIDGE

Question No. 1,295—**Mr. Rideout:**

Does the Minister of National Revenue plan to have the customs office open on a 24-hour basis on the Roosevelt memorial bridge at Campobello?

Mr. Flemming (Victoria-Carleton): The answer to the question is yes.

For the further information of the hon. member I can say that on my instructions the director of customs-excise inspection visited Campobello last week and investigated the effects of the winter hour schedule operative since January 7 on the residents of Campobello and general business activity.

I received the report of this officer yesterday afternoon, and based on it orders have been issued to resume full time service effective tonight.

SOCIAL CENTRE FOR INDIANS, VANCOUVER

Question No. 1,296—**Mr. Prittie:**

Has the government received a request from the city of Vancouver asking assistance in the establishment of a social centre for Indians to alleviate social problems arising from the migration of Indians from the reservations to the city?

Mr. McGee: No.

C.B.C.—GRANTS, REVENUES, AND B.C. OPERATIONS

Question No. 1,297—**Mr. Nicholson:**

1. For each fiscal year from April 1, 1957, to March 31, 1962, what federal grants were given or paid to the Canadian Broadcasting Corporation?

2. What were the total revenues of the said corporation for each of these fiscal years?

3. What were the production expenses of the said corporation for (a) radio, and (b) television, in the British Columbia region for each of these fiscal years?

4. How many directors and producers in (a) radio, and (b) television, were employed in the B.C. region in each of these fiscal years by the said corporation?

5. What was the total television staff employed by the said corporation in British Columbia in each of these fiscal years?

6. What was the total staff employed by the said corporation in the city of Vancouver in each of these fiscal years?

7. For each of these fiscal years, what was the total number of programs produced in Vancouver in the following categories: (a) children's drama (b) adult drama, and (c) musical programming?

Mr. Halpenny: I am informed by the Canadian Broadcasting Corporation as follows:

1 and 2.

	(1) Parliamentary Grants	(2) Total Revenues
1957-58	*$41,177,181.	*$ 70,567,216.
1958-59	55,953,202.	89,147,724.
1959-60	58,560,213.	97,124,153.
1960-61	64,872,304.	102,960,527.
1961-62	76,466,505.	109,786,345.

*The parliamentary grants shown for 1957-58 were provided under the terms of the Canadian Broadcasting Act, hence cannot be properly related to the grants for the years 1958 to 1962 which were made under the provisions to the Broadcasting Act 1958.

3. It is considered to be not in the public interest to require the corporation to give such information as it would affect the corporation in the competitive business in which it is engaged.

Questions

4. Directors and Producers

	Radio	TV
1 April 1957	14	16
1958	15	14
1959	16	17
1960	18	16
1961	17	14
1962	19	15

5. Television staff in B.C.

1 April 1957	191
1958	186
1959	203
1960	198
1961	205
1962	204

6. Total staff in Vancouver

1 April 1957	368
1958	378
1959	411
1960	402
1961	410
1962	414

7. Television

	Children's Drama	Adult Drama	Musical Programs
1957-58 Local	—	3	97
Network	20	14	26
1958-59 Local	—	1	93
Network	41	25	2
1959-60 Local	—	12	63
Network	57	23	1
1960-61 Local	—	2	21
Network	36	10	30
1961-62 Local	—	9	42
Network	25	—	43
Radio			
1957-58 Local	—	—	1
Regional	45	312	275
National Network	52	155	545
1958-59 Regional	52	301	215
National Network	39	134	369
1959-60 Local	—	—	1
Regional	68	263	274
National Network	—	58	306
1960-61 Regional	42	261	229
National Network	—	136	314
1961-62 Regional	42	271	281
National Network	—	63	379

[Mr. Halpenny.]

CONTRACTS TO CANADIAN CONSTRUCTION COMPANIES

Question No. 1,303—**Mr. Langlois:**

1. What companies were awarded the contracts for the building of facilities at the following airports: Chatham, N.B., Bagotville, Que., Val d'Or, Que., Cold Lake, Alta., and Comox, B.C.?

2. Was a Canadian company awarded any contract for the construction of the R.C.A.F. terminal at Marville, France, and, if so, what company?

3. What Canadian company was awarded the contract for the building of communication stations between Brevoort Island and Goose Bay, Labrador, for the ballistic missile early warning system?

4. Did Defence Construction Ltd. call for tenders in connection with the construction of a dock at St. Vincent in the British Windward islands and, if so (a) did any Canadian company participate in the project (b) what is the name of such company?

Mr. O'Hurley: 1. During the fiscal year 1961-62, five contracts for the building of facilities were awarded as follows:

Chatham, N.B.: Coronet Paving Ltd., Andover, N.B.

Bagotville, Que.: North Shore Builders Ltd., Saguenay, Que.

Val d'Or, Que.: North Shore Construction Co. Ltd., Montreal, Que.

Cold Lake, Alta.: Poole Engineering (1958) Ltd., Edmonton, Alta.

Comox, B.C.: Miller Cartage & Contracting Ltd., Richmond, B.C.

2. No.

3. C. A. Pitts General Contractor Ltd., Toronto, Ontario.

4. Yes. (a) Yes. (b) Bennett & White Construction Co. Ltd., and Horie and Tynan (Joint Venture), Burnaby 1, B.C.

With respect to question 1—it is understood that the information Mr. Langlois requires is in connection with the contracts referred to on page 5, paragraph 3, of the annual report, as follows:

"By year's end, five new contracts had been awarded in this connection with a total value of $3,349,000 at Chatham, N.B. Bagotville, and Val d'Or, Quebec, Cold Lake, Alberta, and Comox, B.C."

The question, therefore, has been answered to give that information.

With respect to question 4, D.C.L. called tenders on behalf of the external aid office, Department of External Affairs.

*CANADA SAVINGS BONDS

Question No. 1,307—**Mr. McMillan:**

1. What was the total amount of the latest 1962 series of Canada savings bonds sold?

2. What was the value of former series of Canada savings bonds turned in since the last series went on sale?

3. What was the net amount of cash realized by the sale of the last series of these bonds?

Mr. Grafftey: 1. The sum of $1,602,637,300 of Canada savings bonds 1962 series were sold to December 31, 1962.

2. The preliminary total of redemptions of Canada savings bonds of all series in October, November and December 1962 was $834,658,400.

3. Gross sales of Canada savings bonds 1961 series to December 31, 1961, amounted to $932,346,000. In this period redemptions of all series of Canada savings bonds amounted to $250,665,850.

(Translation):

*QUEBEC—REQUEST FOR THE REMOVAL OF RAILWAY CROSSINGS

Question No. 1,310—**Mr. Beaule:**

1. Has the government entered into negotiations about the level crossings of the C.P.R. located in the city of Quebec on the lines running along the St. Charles river up to Palace station between Marie de l'Incarnation street and the Palace station and, if so, what have been the results of these negotiations?

2. Has there been an agreement or have there been negotiations between the city of Quebec, the Canadian National Railways and the Canadian Pacific Railway for the purpose of using C.N.R. tracks in order to divert railway traffic in the city of Quebec?

Mr. Balcer: The Board of Transport Commissioners for Canada advises as follows:

1. In February 1961 the board authorized improvements to the protection at the level crossings at Mgr. Gauvreau, Bridge, de la Chapelle, Crown, Dorchester and Gosford streets, which are all on that portion of the C.P.R.s' Quebec subdivision between Marie de l'Incarnation street and Palace station. The work in connection with such changes was completed by February 1962. At present there are no applications before the board dealing with level crossings on that part of the C.P.R. Quebec subdivision.

2. The board is not aware of any agreement or negotiations between the city of Quebec, the C.N.R. and C.P.R. dealing with the diversion of railway traffic in the city of Quebec. It is possible, however, that some action has been taken by these parties to consider such a proposal, and the board would not necessarily be aware of any such negotiations.

(Text):

*REQUEST FOR REDUCED DUTY ON IMPORTED AMBULANCES

Question No. 1,312—**Mr. Gagnon:**

Has the Minister of National Revenue received representations from "L'Association des Directeurs des Finances du Canada" recommending a reduction in duty as applied to ambulances imported from the United States and, if so, does the minister expect to give a favourable reply to the association?

Mr. Flemming (Victoria-Carleton): Mr. Speaker, the answer is as follows. I have received a copy of a brief addressed by this association to the Minister of Finance. As the hon. member knows, the second part of his question does not apply to the Department of National Revenue, which is primarily concerned with administration and is not responsible for matters of tax policy.

C.B.C. PROGRAM ON ITALIANS IN TORONTO

Question No. 1,318—**Mr. Haidasz:**

Has the Canadian government considered the communication from the representatives of the Italian committee in Toronto protesting the C.B.C. camera program depicting the life of Canadians of Italian descent in Toronto and, if so, what action has the government taken with regard to this protest?

Mr. Halpenny: I am advised by the Canadian Broadcasting Corporation that the program "Camera Canada" on January 14 was based on the activities of a recently arrived Italian family in Toronto. It was generally well received but was criticized by some members of Toronto's Italian community who would have preferred an emphasis on different features of community life. The C.B.C. arranged for a review of the film by several representatives of the Italian community and discussed their criticisms with them. After a full review of all the circumstances, the C.B.C. still believes that the program was a fair and honest portrayal of the life of a group of recent immigrants from Italy and of their efforts to adapt to life in their new home land.

*CAMPOBELLO, N.B.—CUSTOMS SERVICE ON BRIDGE

Question No. 1,321—**Mr. Robichaud:**

Is the government prepared to give favourable consideration to representations received from various sources on behalf of the 1,400 residents of Campobello island for the restoration of full time service on the Roosevelt memorial bridge in order to assure continuous movement of fish and pulpwood from Campobello to the mainland?

Mr. Flemming (Victoria-Carleton): Mr. Speaker, this is the same answer that I gave a few moments ago. I would be glad to send a copy to the hon. member for Gloucester, if that might be considered the answer.

Mr. Robichaud: I will accept that, Mr. Speaker.

Questions

BUTTER SURPLUS

Question No. 1,325—**Mr. Badanai:**

1. What is the amount of surplus butter stored in Canada as of December 31, 1962?
2. What is the location of storage plants in which surplus butter is stored and what is the cost of such storage to the government?

Mr. Jorgenson: 1. The amount of butter stored in Canada by the agricultural stabilization board as of December 31, 1962, was 2,086,270 boxes.

2. The location of storage plants and storage charges are as shown in the attached table.

AGRICULTURAL STABILIZATION BOARD

NUMBER OF BOXES OF BUTTER IN STORAGE AS OF DECEMBER 31, 1962

(56 pounds per box)

Storage warehouses	Location	Total boxes	Monthly storage rental		Other Charges
			1st 8 months cents per unit	Subsequent months cents per unit	Storage Handling cents per box
Amalgamated Dairies	Summerside	1,605	25 cwt.	—	5
Crapaud Creamery	Crapaud	1,017	25 "	—	5
P.E.I. Industrial	Charlottetown	1,489	25 "	—	5
Polar Quick Freezing	Summerside	1,663	25 "	—	5
Cremerie Belzile	Edmundston	368	12 per box	9	7
Capital Cooperative	Fredericton	1,669	12 "	9	4
Victoria Creamery	Grand Falls	333	12 "	9	5
Cooperative Agricole	Granby	4,117	13 "	10	5
Cooperative Agricole	Lac Megantic	5,029	13 "	10	5
Cooperative Federee	Rimouski	9,317	13 "	10	5
Congelation Lafond	Lorrainville	3,724	12 "	9	3
Cremerie Desrosiers	Mont Joli	2,352	13 "	10	5
Cremerie Gregoire	St. Malachie	649	13 "	10	5
Metropolitain Cold	Granby	60,680	13 "	10	5
Metropolitain Cold	Weedon	11,660	13 "	10	5
Eastern Townships Produce	Sherbrooke	6,640	13 "	10	5
La Chaine Cooperative	St. Bruno	18,523	13 "	10	5
Lansdowne Storage	Sherbrooke	9,435	13 "	10	5
Lawrenceville Storage	Lawrenceville	12,814	13 "	10	5
Mont Joli Products	Mont Joli	4,940	13 "	10	5
Mont St. Hilaire	St. Hyacinthe	122,818	13 "	10	5
Nicole Freres	Val Brillant	779	13 "	10	5
Placement des Bois Francs	Victoriaville	10,921	13 "	10	5
St. Denis Canning	St. Denis	34,616	13 "	10	5
Soc. Cooperative Agricole	Chicoutimi	2,507	13 "	10	5
Vermette & Fils	St. Agapit	103,975	13 "	10	4
Canada Packers	Three Rivers	11,257	13 "	10	5
Weedon Creamery	Weedon	25,437	13 "	10	5
Cremerie Belanger	Quebec City	20,877	13 "	10	5
Champlain Cold	Quebec City	16,618	13 per box	10	5
Charlesbourg Cold	Quebec City	9,080	13 "	10	5
Cooperative Federee	Quebec City	3,097	13 "	10	5
Dominion Fish & Fruit	Quebec City	35,923	13 "	10	5
Diament & Gilbault	Quebec City (Ste Foy)	6,049	13 "	10	5
Emond & Cote	Quebec City	18,227	13 "	10	5
Limoilou Cold	Quebec City	3,012	13 "	10	5
National Harbours	Quebec City	835	13 "	10	5
Quebec Freezers	Quebec City	40,662	13 "	10	5
Ste Helene Cold	Quebec City	14,857	13 "	10	5
Ayers Storage	Montreal	49,089	13 "	10	5
Canada Cold	Montreal	151,720	13 "	10	5
Courchesne, Larose	Montreal	2,773	13 "	10	5
Empire Cold	Montreal	35,374	13 "	10	5
Federal Cold	Montreal	79,773	13 "	10	5
Federee Elevators	Montreal	35,099	13 "	10	5
Gould's Storage	Montreal	1,777	13 "	10	5
Jersey Brand Products	Montreal	14,929	13 "	10	5
Laval Storage	Montreal	21,012	13 "	10	5
Lovell & Christmas	Montreal	212,528	13 "	10	5
Montreal Refrigerating	Montreal	43,751	13 "	10	5
National Harbours Board	Montreal	25,684	13 "	10	5
Olive & Dorion	Montreal	89,998	13 "	10	5
Aldershot Cold Storage	Aldershot	5,748	12 "	9	7
Armstrong's Creamery	Orangeville	992	12 "	9	7
Ault's Milk Products	Winchester	15,676	12 "	9	7
Brockville Cooperative	Brockville	8,608	12 "	9	7

Questions

Storage warehouses	Location	Total boxes	Monthly storage rental 1st 8 months cents per unit	Subsequent months cents per unit	Other Charges Storage Handling cents per box
Dunnville Dairy	Dunnville	950	12 "	9	7
Free's Creamery	Sunderland	5,526	12 "	9	7
Glen Roy Creamery	Belleville	4,917	12 "	9	7
Grand Valley Cold	Grand Valley	7,078	12 "	9	7
Kemptville Creameries	Kemptville	3,761	12 per box	9	7
Kincardine Pure Ice	Kincardine	387	12 "	9	7
Kingston Creamery	Kingston	6,170	12 "	9	7
Middlesex Creamery	London	9,509	12 "	9	7
Mildmay Creamery	Mildmay	15,128	12 "	9	7
Nith Valley Cold	New Hamburg	548	12 "	9	7
Owen Sound Cold	Owen Sound	2,809	12 "	9	7
Port Elgin Creamery	Port Elgin	1,705	12 "	9	7
Silverwood Dairies	Cargill	910	12 "	9	7
Silverwood Dairies	Lindsay	3,799	12 "	9	7
Teeswater Creamery	Teeswater	81,660	12 "	9	7
United Dairy & Poultry Co-operative	Owen Sound	3,566	12 "	9	7
United Dairy & Poultry Co-operative	Perth	450	12 "	9	7
United Dairy & Poultry Co-operative	Renfrew	450	12 "	9	7
United Dairy & Poultry Co-operative	Wingham	1,348	12 "	9	7
Villa Nova Products	Waterford	749	12 "	9	7
Ayer (Ontario)	Toronto	67,489	12 "	9	7
Intercontinental Warehouses	Toronto	68,458	12 "	9	7
Roselawn Storage	Toronto	17,005	12 "	9	7
Terminal Warehouses	Toronto	47,508	12 "	9	7
United Dairy & Poultry Co-operative	Toronto	9,358	12 "	9	7
Man. Dairy & Poultry	Brandon	437	10 "	7	8
Public Cold	Brandon	4,590	10 "	7	8
Crescent Cold	Winnipeg	9,096	11 "	8	8
Inl and Cold	Winnipeg	647	10 "	7	8
Manitoba Cold	Winnipeg	63,196	11 "	8	8
North Star Cold	Winnipeg	6,212	10 "	7	8
Palm Dairies	Winnipeg	416	10 "	7	8
Winnipeg Cold	Winnipeg	59,056	11 per box	8	8
Central Cold	Prince Albert	18,219	11 "	8	6
Dairy & Poultry	Rosthern	1,314	12 "	9	7
Dairy & Poultry	Saskatoon	12,575	12 "	9	7
Melville Cold	Melville	2,064	11 "	8	6
J. R. Dunn	Moose Jaw	3,899	10 "	7	6
Regina Cold	Regina	7,478	11 "	8	6
Sask. Cooperative	Melfort	2,158	11 "	8	6
Sask. Cooperative	Melville	1,923	11 "	8	6
Sask. Cooperative	North Battleford	5,858	11 "	8	6
Sask. Cooperative	Regina	7,127	11 "	8	6
Sask. Cooperative	Saskatoon	16,407	11 "	8	6
Sask. Cooperative	Weyburn	1,125	11 "	8	6
Sask. Cooperative	Yorkton	7,134	11 "	7	6
Trans Canada Freezers	Regina	16,975	12 "	9	7
Trans Canada Freezers	Saskatoon	22,263	12 "	9	7
Alpha Jersey Dairy	Calgary	1,000	25 cwt.	—	5
Athabasca Creamery	Athabasca	2,398	12 per box	9	7
Burns & Co	Calgary	4,934	25 cwt.	—	5
Crystal Dairy	Medicine Hat	353	25 "	—	5
Central Alberta Dairy Pool	Alix	1,233	25 "	—	—
Northern Alberta Dairy Pool	Edmonton	2,486	25 "	—	—
Northern Alberta Dairy Pool	Sedgewick	2,477	25 "	—	—
Railhead Cold	Edmonton	5,127	25 "	—	—
Silverwood Dairies	Edmonton	757	25 "	—	—
Swift Canadian	Calgary	757	25 "	—	—
B.C. Ice	Vancouver	2,746	11 per box	8	12
Southside Cold	Edmonton	208	12 "	9	7

(Translation):

ST. EUSTACHE—ENLARGEMENT OF POST OFFICE

Question No. 1,327—**Mr. Drouin:**

1. Is it the intention of the government to proceed with the enlargement of St. Eustache post office in the county of Deux Montagnes?

2. If so (a) have plans been prepared and by whom (b) what has been the approximate cost to date of the work involved (c) have tenders been called (d) was a contract let, to whom, and for what amount?

Mr. Fulton: 1. Yes.

2. (a) Preliminary plans are being prepared by the department.

(b) As this work is being done by personnel who are also engaged on other similar projects the cost of the work done to date cannot be accurately established.

(c) No.

(d) Not applicable.

(Text):

BROADCAST OF THURSDAY NIGHT HOCKEY GAMES

Question No. 1,329—**Mr. Dube:**

1. Has the Canadian Broadcasting Corporation ever considered the expediency of broadcasting and televising regularly the hockey games played on Thursday nights and, if so, what decision was reached?

2. Has the corporation ever made surveys of public opinion about the matter?

Mr. Halpenny: 1. No.

2. No. So far there has been no great demand for hockey other than Saturday nights, except at playoff time. With the increased interest among fans at that season the C.B.C. covers all semifinal games in part, and the final playoffs in their entirety.

(Translation):

CHATEAUGUAY-HUNTINGDON-LAPRAIRIE CONSTITUENCY—HOUSING LOANS

Question No. 1,332—**Mr. Boucher:**

How many loans were made by C.M.H.C. in the constituency of Chateauguay-Huntingdon-Laprairie during the years 1959, 1960, 1961 and 1962?

Mr. Fulton:

N.H.A. Loans Approved in the Constituency of Chateauguay-Huntingdon-Laprairie 1959-1962*

Year	Approved Lenders No. of Loans	C.M.H.C. No. of Loans	Total N.H.A. No. of Loans
1959	83	37	120
1960	13	11	24
1961	119	41	160
1962	455	78	533
1959-1962	670	167	837

* Data for 1962 do not take account of cancellations made after loan approved. Cancellations are taken into account in the data for earlier years.

[Mr. Jorgenson.]

*SURVEY ON CONDITIONS OF THE OUTSIDE CHANNEL AT SHIPPEGAN GULLY

Question No. 1,334—**Mr. Robichaud:**

In recent years, has a survey been made on conditions of the outside channel at Shippegan Gully, Gloucester county, N.B., and, if so (a) when was such a survey completed (b) what was the average depth of water found at low tide throughout the main channel leading to Shippegan Gully breakwater (c) is it the intention of the government to proceed with dredging operations to improve that channel in order to accommodate the local dragger fleet?

Mr. Fulton: Yes. (a) In May, 1962.

(b) Inside the breakwater, 8.5 feet. About 6 feet outside.

(c) Not now, because of the very high maintenance costs involved.

(Text):

GRANITE FOR HEALTH AND WELFARE BUILDING, OTTAWA

Question No. 1,335—**Mr. McIlraith:**

1. Is granite specified for use in the construction of the new building for the Department of National Health and Welfare at Tunney's Pasture and, if so, what steps are being taken to ensure that the granite being used meets the standards of quality specified?

2. Has any of the granite supplied to date failed to meet such standards?

Mr. Fulton: 1. Yes; to ensure it meets specifications the granite is checked by visual inspection. Samples of the stone are also tested in the laboratory.

2. Yes; about one third of the granite supplied to date shows white markings or streaks which are prohibited by the specifications and will not be used in the building.

*DOMINION-PROVINCIAL CONFERENCE AGENDA

Question No. 1,339—**Mr. Rinfret:**

1. Will the federal government include a definite agenda in invitations shortly to be sent to the premiers of the provinces to attend a dominion-provincial conference and, if so, will the following subjects be contained in such agenda: (a) a distinctive national flag (b) a national anthem (c) bilingualism and biculturalism (d) a draft amendment to the constitution with regard to pensions?

2. Will other matters be discussed and, if so, what subjects?

Mr. Diefenbaker: Mr. Speaker, when the invitations have been sent out a copy thereof will be tabled in the house. I cannot in advance of these invitations deal with what will or will not be included.

PLACEMENT DIVISION SUPERVISORS, NATIONAL EMPLOYMENT SERVICE

Question No. 1,341—**Mr. Laniel:**

1. Do supervisors grade 4 of the placement division of local offices of the national employment service receive the same salary as some of their subordinates?

2. In some local offices of the service, is the supervisor classified as a placement officer grade 2, and, if so (a) is he responsible for the supervision and rating of employees of equivalent grade and salary (b) are employees in local offices remunerated for supervisory duties (c) are employees in the regional or national offices remunerated for similar supervisory duties (d) did the fitness review board of the civil service commission make any recommendations during 1960 concerning additional remuneration for supervisory duties in local offices of the service and were any such recommendations not implemented and for what reason?

Mr. Hales: 1. No. The positions of subordinate employees are classified at grades below the level of grade 4.

2. (a) and (b) As a result of a recent upgrading of positions in the national employment service there are some instances where supervisors at the employment officer 2 level have one or two employees on their staff at the same classification. Studies are now being conducted to determine the proper classification for local office supervisory positions in the national employment service with a view to correcting these anomalies. (c) Yes. (d) The fitness review committees were departmental committees whose function was to make recommendations with regard to the suitability of employees for the higher grades which were introduced in a general program designed to provide more appropriate classifications for the duties being performed. In some cases certain committees recommended higher classifications than those that had been approved for the duties being performed, and in such cases the employees concerned were classified at the level that was appropriate for their positions and which was at the grade that was authorized for other employees in the national employment service who were performing similar duties.

PAYMENT FOR BRIDGE AND FEEDER CANAL, DUNNVILLE, ONT.

Question No. 1,344—**Mr. Pennell:**

What vote of the revised estimates for 1962-63 contains the sum of $420,000 required by the St. Lawrence seaway authority to pay to the corporation of the county of Haldimand to carry out the terms of the agreement entered into by the said authority and county relating to the bridge and feeder canal situated at the town of Dunnville in the county of Haldimand?

Mr. McBain: The St. Lawrence seaway authority advises as follows: vote 230(a), supplementary estimates (A) 1962/63.

HOME MAIL DELIVERY, HAWKESBURY, ONT.

Question No. 1,346—**Mr. Ethier:**

Has the Postmaster General reached a decision concerning the provision of home mail delivery for residents of Hawkesbury, Ontario, and, if so, when will such service be inaugurated?

Mrs. Fairclough: Yes. Service will be inaugurated on Monday, March 18, 1963.

*CONTROL OF FINANCE COMPANIES IN BANKING FIELD

Question No. 1,357—**Mr. Ryan:**

Does the government plan to introduce legislation to control finance companies in their entry into the banking field and particularly in their pursuit of deposits from the public?

Mr. Grafftey: This is a matter of government policy. Any announcement would be made by the government in the usual manner.

(Translation):

UNEMPLOYMENT INSURANCE FUND—PRESENT SITUATION AND MONEY PUT INTO IT

Question No. 1,362—**Mr. Deschatelets:**

1. How much money is there in the unemployment insurance fund as of this date?
2. Apart from statutory contributions made by employers and employees, was there any money put into the unemployment insurance fund in the form of loans or otherwise and, if so, for what amounts and at what rate of interest?

Mr. Grafftey: 1. On December 31, 1962, the last date for which information is available, there was $98,975,326.02 in the unemployment insurance fund.

2. The following loans have been granted to the fund:

Amount of loan	Rate of interest	Interest paid
$ 80,000,000.00	5%	$1,470,136.98
42,000,000.00	5¾%	273,036.99
70,000,000.00	5%	1,599,726.03
70,500,000.00	5¼%	1,538,106.16
$262,500,000.00		$4,881,006.16

All those loans have been paid back.

(Text):

*CHIEF JOSEPH DREAVER

Question No. 1,369—**Mr. Howard:**

Is Chief Joseph Dreaver presently employed in any capacity with the government of Canada and, if so, what in detail are his duties, responsibilities, and wages?

Mr. McGee: The answer is no, Mr. Speaker.

(Translation):

LIGHTING ON PERLEY BRIDGE

Question No. 1,371—**Mr. Ethier:**

Is the Department of Public Works or any other department of the federal government responsible for the maintenance of Perley bridge between Hawkesbury, Ontario, and Grenville, Que., and, if so, will action be taken to improve lighting on the bridge?

Mr. Fulton: The Department of Public Works is in charge of the maintenance of Perley bridge. Tenders have been called for the setting up of a lighting system on that bridge. Those tenders will be received on February 12, 1963.

(Text):

SUBSIDY ON WHEY BUTTER

Question No. 1,372—**Mr. Ethier:**

Does the government propose to include whey butter in the same category as ordinary butter upon which a subsidy of 12 cents per lb. is paid?

Mr. Pigeon: The present dairy support program authorized payment of the 12 cent subsidy on creamery butter only. No decision has been made concerning the support program for the coming year.

QUESTIONS PASSED AS ORDERS FOR RETURNS

*STRONTIUM 90 LEVEL IN NORTH

Question No. 1,276—**Mr. Martin (Essex East):**

1. What is the national average concentration of strontium 90, according to latest measurements?
2. What is the average concentration of strontium 90 in the Northwest Territories and Canadian Arctic regions according to the latest measurements?
3. What does the Canadian government consider as a "safe level" of strontium 90?
4. When did the Canadian government first take measurements of strontium 90 concentration in the Northwest Territories and the Canadian Arctic?
5. When did the Canadian government first publish its findings regarding strontium 90 concentration in the Northwest Territories and the Canadian Arctic?

Mrs. Casselman: Return tabled.

IMMIGRATION AND EMIGRATION, 1950-1962

Question No. 1,333—**Mr. Beer:**

1. How many persons came to Canada in each calendar year 1950 to 1962 inclusive, from which countries did they come and what are the numbers from each country?
2. How many persons left Canada during the same period by years, and to which countries did they migrate?

MOTIONS FOR PAPERS

REPORT ON FORT ST. JOHN INDIAN AGENCY

Motion No. 54—**Mr. Howard:**

That an order of the house do issue for a copy of any reports of conditions at the Fort St. John Indian agency and in particular the situation at Prophet river since January 1, 1962.

He said: Mr. Speaker, I wonder whether with the permission of the house I could request that this notice be withdrawn and the order discharged.

Mr. Speaker: Is it agreed that the notice of motion shall be withdrawn?

Some hon. Members: Agreed.

Order discharged and motion withdrawn.

TELECOMMUNICATIONS CONTRACT FOR RADIO STATIONS

Motion No. 59—**Mr. Cowan:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence dated August 15, 1962 to December 1, 1962, between the government of Canada or any minister, department or agency thereof and the Canadian Broadcasting Corporation, the Canadian National Railways, the Canadian Pacific Railway and the Bell Telephone Company of Canada, respecting the contract for telecommunications for the approximately 195 radio stations, the previous ten year contract having been replaced by a new contract effective October 1, 1962.

Mr. Speaker: The hon. member for York-Humber is not here.

Mr. Halpenny: Mr. Speaker, in the absence of the hon. member could this motion stand?

Motion stands.

WINNIPEG—HEALTH OF SCHOOL CHILDREN IN RELATION TO SMOKING

Motion No. 64—**Mr. Knowles:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, dated since July 1, 1962, exchanged between the Minister of National Health and Welfare and the Winnipeg school board concerning the subject of smoking in relation to the health of school children.

Motion agreed to.

REGULATIONS RESPECTING EXECUTION OF DEATH SENTENCES

Motion No. 65—**Mr. Matheson:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all regulations made by the governor in council pursuant to section 653 of the Criminal Code of Canada with respect to the execution of sentences of death.

Motion agreed to.

CAMPOBELLO, N.B.—CUSTOMS SERVICE ON BRIDGE

Motion No. 66—**Mr. Robichaud:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, telegrams and other communications as from December 1, 1962 to date, between the government of Canada, its officials or any interested persons regarding the closing restrictions on the Roosevelt memorial bridge linking Campobello island in New Brunswick with Lubec, Maine.

Mr. Flemming (Victoria-Carleton): Mr. Speaker, there is no objection to producing the documents requested, but permission will have to be secured from the interested parties, the provinces, and perhaps even the state of Maine, I think. With that reservation the motion is quite acceptable.

Mr. Robichaud: Mr. Speaker, I hope there is no restriction on correspondence from individuals, including the leader of the official opposition in New Brunswick.

Mr. Speaker: Subject to the reservation expressed by the minister, is it the pleasure of the house to adopt the said motion?

Motion agreed to.

CORRESPONDENCE WITH ASSOCIATION OF UNIVERSITY TEACHERS

Motion No. 67—**Mr. Orlikow:**

That an order of the house do issue for a copy of all correspondence between the Minister of Justice and the Canadian association of university teachers, since September 21, 1962.

Mr. Fleming (Eglinton): I understand the hon. member is willing that this motion should stand.

Motion stands.

CANADIAN TRADE POLICY WITH U.K.

Motion No. 68—**Mr. Matheson:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of all communications received from the United Kingdom since the visit of Mr. Peter Thorneycroft to Canada in September 1957 alluding to Canadian trade policy with the United Kingdom.

Mr. Green: Mr. Speaker, I would ask that this motion be allowed to stand.

Motion stands.

EXTERNAL AFFAIRS

INQUIRY AS TO EXTENSION OF TERRITORIAL WATERS

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Prime Minister whether the government now proposes to establish by national action a 12 mile jurisdictional zone of waters adjacent to the Canadian coastline.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I have nothing to add to what has already been stated in that connection. The matter was reviewed on an earlier occasion, and there has been no change.

Mr. Pearson: As a supplementary question may I ask whether it is the attitude of the United States of America to this proposed action that is holding up a decision?

Mr. Diefenbaker: Mr. Speaker, it is not a question of one country or another. As the hon. gentleman knows, there were two lengthy conferences on this subject and we almost succeeded in securing that which all the nations desire. At the last conference we lost out by half a vote, and since then there have been discussions taking place with a view to ascertaining what might be achieved through individual agreement or multilateral agreement among nations favourable to such a change.

TRADE

INQUIRY AS TO RELATIONSHIP OF FORTHCOMING NEGOTIATIONS

On the orders of the day:

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I would like to address a question to the Prime Minister arising out of his statement to the house, after the close of the question period yesterday, with regard to trade. Can the Prime Minister indicate to the house the relationship between the forthcoming trade negotiations referred to by him yesterday and those to be conducted in the forthcoming United Nations conference on trade and development?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, if the hon. gentleman will study both he will see there is a vast difference. The President of the United States realized there was a difference when he accepted the suggestion of the Canadian government. I would ask the hon. gentleman to make an examination, and I believe when he does he will understand what the government is proposing.

SUGGESTED TARIFF ADJUSTMENTS TO STIMULATE TRADE

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Before the house commences labour I wish to address a question to the Prime Minister. In view of the miscarriage of negotiations with respect to the admission of Great Britain to the common market, is the government giving consideration to tariff adjustments that will stimulate trade for Canada with Great Britain, the commonwealth and other countries?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. gentleman was kind enough to give me notice a moment ago of the question he intended to ask. The government has always sought to stimulate fruitful two-way trade with Great Britain, the commonwealth and other countries, and to this end it has taken a lead in seeking a conference of the countries of the commonwealth, the countries of the European economic community, the countries of the European free trade area, the United States, Japan and other like minded countries, at as early a date as possible.

NATIONAL DEFENCE

REQUEST FOR TABLING OF MINISTER'S PRESS RELEASE

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask a question of the Minister of National Defence. In order to make

the record complete will the minister agree to ask the unanimous consent of the house to make his release of January 28, interpreting the speech of the Prime Minister on Friday last, an appendix to today's *Hansard*?

Some hon. Members: Order.

Mr. Martin (Essex East): Mr. Speaker, I am asking the Minister of National Defence a very serious question. Will he agree to table the release and ask the house to make it an appendix to today's *Hansard*?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, the hon. member has seen this in print, and I shall be glad to send him a copy of it if he wants another one.

Mr. Martin (Essex East): No; the privilege of the house is involved in this. It is not a question of my having seen it.

Mr. Speaker: Order.

Mr. Martin (Essex East): I am asking the Minister of National Defence—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. The reply may be unsatisfactory to the hon. member, but I do not think he is in a position to comment on it. I recognized the hon. member for Athabasca.

Mr. Martin (Essex East): On a question of privilege—

Mr. Fleming (Eglinton): What about the rules of the house?

Mr. Martin (Essex East): I am rising on a question of privilege dealing with one of the most important matters facing this country at this time—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): —and it does not add to the solemnity and importance of our deliberations for hon. gentlemen to display the reactions they now manifest. Mr. Speaker, the Prime Minister has made a statement to which—

Mr. Speaker: Order. May I have a succinct statement of the privilege that is being sought?

Mr. Martin (Essex East): Mr. Speaker, I am stating my question of privilege. The Prime Minister made a statement with regard to defence policy on Friday last and the Minister of National Defence, although he sat here during the deliberations on Friday last, issued a release outside the house in which he gave his interpretation of the Prime Minister's remarks. In the opinion of many people—

Mr. Fleming (Eglinton): Order.

[Mr. Martin (Essex East).]

Mr. Martin (Essex East): —this seems to be—

Mr. Speaker: Order. I am having some difficulty in seeing the privilege at the moment. I think we are getting argument rather than privilege.

Mr. Martin (Essex East): Mr. Speaker, I should think there would be no difficulty in seeing the question of privilege on this matter. This release has been discussed in the house. The minister refuses to table the release on the grounds that I have seen the statement. It is not a question of whether I have seen the statement. This is a matter of public interest. I say the privilege of the house consists in the obligation of the minister to table this document so that it can be part of the record and so can be a key to judgment with regard to the division of opinion in the ministry on so vital a matter.

Some hon. Members: Hear, hear.

Mr. Speaker: Order. Having heard the hon. member in extenso I am still convinced there is no question of privilege here. There is no statutory obligation on the minister to table this document, and he is within his rights not to table the document. The only way this document could be tabled or produced in the house would be by way of a substantive motion.

Mr. Martin (Essex East): Mr. Speaker, I now table this release of the Minister of National Defence.

Mr. Speaker: The hon. member cannot table the document.

Mr. Diefenbaker: There is no substitute for the rules.

Mr. Martin (Essex East): Don't lose your temper, Mr. Prime Minister.

Mr. Speaker: Order. The hon. member for Athabasca has the floor and I wish he could be heard.

[*Later:*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I want to ask the Prime Minister if in addition to the system of simultaneous translation the government is thinking of instituting a system of simultaneous interpretation.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, after some of the remarks that have emanated from that side of the house all I can say is that charity begins at home.

[*Later:*]

Mr. Malcolm MacInnis (Cape Breton South): Mr. Speaker, in another attempt to clarify for the Canadian people the position of the government with respect to the important question of nuclear weapons, would the Prime Minister indicate to the nation the extent to which he disagrees with the interpretation of the Minister of National Defence?

Some hon. Members: Oh, oh.

Mr. Speaker: Order. That is a quite improper question at the moment.

[*Later:*]

Mr. MacInnis: Mr. Speaker, in view of your ruling I should like to try again, and rephrase my question. Would the Prime Minister indicate to the house whether or not the government is at present pursuing policies aimed at the acquisition of nuclear weapons?

Mr. Diefenbaker: Mr. Speaker, this is going far beyond the orders of the day, I submit with great deference. That question was asked and answered in full. While the answers do not satisfy the opposition, I believe it is proper—and I have not raised any objections yet—to suggest to Your Honour that these questions are no longer within the purview of questions to be asked on orders of the day.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. The Chair will decide on the matter of questions from all sides of the house. I think we will go along with that.

Some hon. Members: Hear, hear.

Mr. Speaker: But in this regard, before anybody gets overly exercised about it, I suggest to hon. members that they might perhaps review some of the rules in so far as questions are concerned. Again I would ask the co-operation of the house in this regard. I do not know that it should necessarily become a game to see how many can be drifted past the Speaker.

Mr. Pearson: On a point of order, Mr. Speaker, and notwithstanding the intervention of the Prime Minister I would ask you to rule whether you consider the previous question out of order.

Mr. Speaker: Oh, yes, I do. The question was of the same nature. It goes far beyond the realm of questions to be asked on orders of the day, and I think the Leader of the Opposition recognizes that.

Mr. MacInnis: On the point of order, I should like to ask Your Honour why you permitted the Prime Minister to rise in answer to the question without making a ruling.

Mr. Speaker: Order. It is not necessarily up to the Chair to pass on every question as it goes by. If the minister is prepared to give a reply and says that it is not a proper question to be answered, that is up to the minister. That is the course I intend to follow.

Mr. Pearson: On a point of order—

Mr. MacInnis: Mr. Speaker, on the point of order—

Mr. Speaker: Order. One at a time. I think that is quite clear.

Mr. MacInnis: Mr. Speaker, I would appreciate your ruling as to why my latest question was out of order. You have not indicated so far.

Mr. Fleming (Eglinton): Read the book.

Mr. Speaker: The question, as I have indicated, went into a matter of policy and was far too wide to be allowed on orders of the day.

Mr. Pearson: Mr. Speaker, are you ruling that questions in regard to the collective responsibility of the government on matters of defence or other policies are out of order?

Mr. Speaker: That is not so, and many questions have been put in that regard. But there are ways of putting questions that do not offend the rules.

Some hon. Members: Oh, oh.

Mr. Thomas R. Berger (Vancouver-Burrard): Mr. Speaker, may I put a question to the Prime Minister which I think Your Honour will not find unacceptable. May I ask the Prime Minister whether he disagrees with the press release issued by the Minister of National Defence, which has been referred to in the house?

Mr. Diefenbaker: Mr. Speaker, I have said over and over again in answer to that question, and repetition does not improve the situation, that I made the statement of policy, and I am not here for the purpose of determining what interpretations may be placed thereon.

Some hon. Members: Hear, hear.

Mr. Pearson: Mr. Speaker, may I ask the Prime Minister whether the statement of the Minister of National Defence, which was not tabled this afternoon, was a statement of government policy in the matter of defence and nuclear arms?

Mr. Fleming (Eglinton): Repetition.

Inquiries of the Ministry

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Has there been any change in government policy regarding the acquisition of nuclear arms since last Friday?

Mr. Diefenbaker: I made a full statement on Friday, and I have nothing further to answer. This is simply an endeavour to repeat over and over again something they realize was ended on Friday.

Mr. Speaker: Order. I do not think we should get into a controversy on motives in asking questions.

SPORTS

HOCKEY—ASSISTANCE FOR WORLD TOURNAMENT IN OTTAWA

On the orders of the day:

Mr. F. J. Bigg (Athabasca): My question is directed to the Minister of National Health and Welfare. Alderman Don Kay of Ottawa has been elected to an international commission set up to host a world wide silver stick hockey tournament to be held in Ottawa during the centennial year. Would the government give early consideration to providing assistance to the civic authority in Ottawa so that a civic centre can be made ready for that important occasion?

Mr. Speaker: Order. I think the hon. member could make his representations during consideration of the estimates, or put a suitable question on the order paper.

TRANS-CANADA HIGHWAY

INQUIRY AS TO POLICY RESPECTING SECOND ROUTE

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, may I also direct a question to the Prime Minister and ask him whether his government has endorsed the proposal of the Yellowhead route association with respect to the route of the second trans-Canada highway?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I gave a report on that question yesterday. If the hon. gentleman will look at *Hansard* I think he will have his answer.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I wonder if I might ask the Prime Minister whether he is in a position today to answer the question I asked him yesterday as to whether the government was considering any additional financial assistance over and above the 50 per cent contribution now provided by law—

[Mr. Fleming (Eglinton).]

Mr. Fulton: And 90 per cent of 10 per cent of the route.

Mr. Pickersgill: —and 90 per cent of 10 per cent of the route, as the minister has said—and the 90 per cent in all provinces except Quebec has already been spent. In addition to the present provisions of the law I wonder whether the government is contemplating any additional contribution to the completion of the trans-Canada highway now under construction?

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, the question of the trans-Canada highway is a matter that is under constant study, but there is no present intention of amending the act.

FISHERIES

REFERENCE TO COMMITTEE OF REPORT OF NORTH PACIFIC COMMISSION

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, I should like to address a question to the Minister of Fisheries or the Secretary of State for External Affairs. In view of the urgent representations which have been made in the last few days by the fishermen and the fishing industry on the west coast, is the government prepared to refer the recommendations of the north Pacific fisheries commission to the standing committee on marine and fisheries?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I have answered that question a couple of times already. I have nothing to add to what I have said. The matter is still under consideration by the government. It has not been approved by any of the three governments which are parties to the treaty.

Mr. Frank Howard (Skeena): A supplementary question, Mr. Speaker. Is it not a fact that the one of main concern to us is Canada's approval, and not the approval of the other two governments?

Mr. Arthur Laing (Vancouver South): A supplementary question, Mr. Speaker. Is the minister aware that representatives of the fishermen and the industry are here at this time and will be returning to Vancouver shortly?

Mr. Speaker: Order. That matter has already been dealt with.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): May I direct a question to the Minister of Fisheries, Mr. Speaker. Is it the fact, as has been reported in the press, that in mid January in Tokyo he expressed himself

as being in favour in principle of the recent recommendations of the north Pacific fisheries commission?

Mr. MacLean (Queens): Mr. Speaker, I expressed no opinion on that matter on that occasion.

ARTS, LETTERS AND SCIENCES

SUGGESTED ROYAL COMMISSION TO STUDY CANADIAN CULTURAL SITUATION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. On Monday he indicated that today he would announce when he would make his statement on the request for a royal commission on biculturalism. I wondered whether he wanted to make any such statement today.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I at no time said that I would make a statement on a royal commission on biculturalism. I said I would make a statement in regard to the problem as we saw it and the need for convening a federal-provincial conference.

Mr. Douglas: A supplementary question, Mr. Speaker. I think the Prime Minister misunderstood me. On Monday his words were "The day after tomorrow I will indicate when I am going to make the statement". I just wondered whether the Prime Minister could make a statement today.

Mr. Diefenbaker: Mr. Speaker, the hon. gentleman mentioned a royal commission on biculturalism and that is what my answer was directed to. I think the statement will be made on Monday.

(Translation):

[*Later:*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to ask a supplementary question. Are we to understand from the Prime Minister's remarks that he has discarded all plans for a royal commission on biculturalism?

Mr. Speaker: Order. Such a question should not be asked on orders of the day.

(Text):

BRIDGES

CHAMPLAIN BRIDGE, MONTREAL—INQUIRY AS TO REMOVAL OF TOLLS

On the orders of the day:

Mr. B. S. Mackasey (Verdun): Mr. Speaker, may I direct a question to the Minister of Transport. Since the installation of direction signs has not appreciably increased traffic on the Champlain bridge, does the minister feel that the time has now come to remove the tolls on that bridge?

Mr. Speaker: Order. I think this is a question that should be put on the order paper.

LABOUR CONDITIONS

CORRECTION OF REMARK BY MINISTER OF JUSTICE RESPECTING UNEMPLOYMENT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, on January 24 the Minister of Justice interrupted the Leader of the Opposition to say that he had corrected a statement which appeared in the Japanese press, which the minister was alleged to have made, that Canada had the highest level of unemployment in the western world. I wonder whether the minister could make this correction available to the house before we go into committee of supply on the estimates of the Minister of Labour.

Hon. Donald M. Fleming (Minister of Justice): Of course, Mr. Speaker, the hon. member for Bonavista-Twillingate, as is not unusual, has misquoted me.

Some hon. Members: Oh, oh.

Mr. Fleming (Eglinton): What I said was that I had taken steps through the press—and, I may say, otherwise—to correct as far as it is possible for one individual to do so this palpable error that appeared in the Japanese press. I made it quite clear at the time that at no time did I make the statement that was attributed to me in that press, and which was quoted with some glee by the Leader of the Opposition.

Mr. Speaker: Order. I think we are going to get ourselves on very thin ice here.

Mr. Pickersgill: A supplementary question to the minister, Mr. Speaker. Does the minister consider that the Japanese press is as inaccurate as the Canadian press?

Some hon. Members: Oh, oh.

Mr. Speaker: Order. We are just getting into an area of controversy here which is not going to advance the business of the house at all.

Mr. Fleming (Eglinton): It is not as inaccurate as the hon. member for Bonavista-Twillingate.

DIVORCE

INQUIRY AS TO PROGRESS TOWARD SOLUTION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Prime Minister and ask him what progress has been made toward finding a solution to the subject matter of divorce.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the subject of divorce is in the same position as it has always been.

SUPPLY

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

DEPARTMENT OF LABOUR

General administration—

1. Department administration including a grant of $10,000 to Frontier College and the expenses of the international labour conferences, $1,321,700.

Hon. Michael Starr (Minister of Labour): It is my intention, Mr. Chairman, to make a comprehensive statement on the work of the Department of Labour in introducing the 1962-63 estimates of the department. I hope members of this committee will give every consideration and co-operation as we address ourselves to the various items which are before us in these estimates. I am prepared to reciprocate in like manner and give every co-operation in answering questions which may be in the minds of members. As a result I hope these estimates will be passed expeditiously.

The Department of Labour, during the period in which I have been Minister of Labour, has endeavoured to co-operate with each member of this house in every possible way, and to be as helpful as possible to each and every member of parliament. I doubt very much whether any member, regardless of where he sits in this chamber, has found our attitude to be one of discourtesy or lack of co-operation in giving out information or assisting with regard to any problem which relates to one or another aspect of our work. We have tried to afford this co-operation to all members of parliament for their benefit and for the benefit of their constituents.

I hope in my statement to be able to deal with every aspect of the department and every phase of its jurisdiction. However, to give a complete picture of all the various phases of the department's work and responsibilities would necessarily take up a great deal of the time of this committee. I do not intend to do that, but I shall endeavour to give a brief résumé of all the aspects of our work in as few words as possible. After that I hope I shall be in a position to answer any questions which may be in the minds of the members when we reach the particular items in our estimates to which they relate.

Mr. Chairman, the committee will be asked to provide $217,577,700 in the main estimates and $80 million in supplementary estimates (A). The Department of Labour requires $192,809,700 out of this amount and the unemployment insurance commission requires $104,768,000. This represents an increase of $47,534,597 over the 1961-62 main and supplementary estimates. Members of this committee will notice that this increase in relation to the 1961-62 appropriation does not agree with the figures shown on page 169 of the blue book. The explanation is that further supplementary estimates for 1961-62 totalling about $93,400,000 were passed by the house after the main estimates were prepared and, of course, the $80 million supplementary estimates for 1962-63 are not shown in the summary. The supplementary estimates for 1962-63 to which I have referred include $30 million for the municipal winter works incentive program and an additional $50 million for technical and vocational training organizations.

I should like now to deal generally with the main activities of the Department of Labour. I wish to put on record my sincere appreciation, first of all, of the excellent work performed by the staff of the department and of the co-operation I have received from labour and management groups, the provinces and the many other organizations with which we work across Canada. The high level of competence associated with the work of the department will, I am sure, be a source of satisfaction to all members of this committee, as it is to me.

Vote No. 1 includes costs relating to the general administration of the department, international affairs and the women's bureau. In the field of international affairs, as hon. members know, the department serves as our official link with the international labour organization, and it is this co-ordinating activity which is provided for in the item. The highly constructive work which the I.L.O. carries forward is so well known as not to require recounting at this time. The department has played an increasing role in these significant activities as the I.L.O. becomes increasingly more important in making a special contribution to the manpower and labour relations development of many countries less developed than our own.

In the women's bureau we are interested, of course, in the activities of women in the labour force of this country. Women are playing an increasingly important part in Canada's labour force, and the work of the women's bureau makes a significant contribution to a wider understanding of the problems and needs of women at work in addition to encouraging progressive standards in that field. The bureau works closely with the provincial departments of education and labour, employers' organizations, the labour movement and the national women's organizations.

In the economics and research branch, research plays a key role in the Department of Labour in helping us deal with the complex problems we face in providing a sound factual basis for the development of our programs and policies. The work is carried out by the economics and research branch provided for in vote No. 5. This research has made a vital contribution to the development of the Technical and Vocational Training Assistance Act which was passed by this house in December, 1960, and to the preparation of the industrial change and manpower adjustment act which is now on the order paper to be placed before the house this session. I hope we shall have an opportunity of discussing this legislation.

The results of this research have contributed to our understanding of the consequences of automation to workers, management and governments in Canada, and have made a most practical contribution to the consideration of measures dealing with this important problem. Work on a study of changing technology and manpower in one of the regions of a Canadian railway was completed this year, and a report will be published. Work began on a similar study in two large railway shops and a report on this is under preparation. A second study of the extent of electronic data processing in Canada is under way and a detailed examination of the effects of office automation on manpower and training needs is being carried out. Five reports on studies in other industries have already been issued. A survey of employers' current and future needs for engineers and scientists was conducted during the year and a preliminary report has been issued. The joint federal-provincial studies of seasonal unemployment in Nova Scotia and New Brunswick will be concluded shortly. A range of special studies of the characteristics of the unemployed were initiated during the past year in co-operation with the dominion bureau of statistics. As a result of this, additional information on unemployment has already been published and more information is currently being developed.

In the field of conciliation, during the fiscal year ending March 1962 the more important collective agreements between the major railways and the running trades expired and new agreements were being negotiated. I am pleased to report, Mr. Chairman, that all of these disputes have been settled, including those involving the major railways and the brotherhood of railroad trainmen, the brotherhood of locomotive firemen end enginemen and the brotherhood of locomotive engineers. Collective agreements are to run through to 1964. Also negotiations commenced in the year ending March 31 for the renewal of collective agreements between the major railways companies and the unions representing over 100,000 non-operating employees. A conciliation board was appointed and I am happy to report that in August, for the first time in recent years, a settlement of all issues in dispute was made by the board. I want here to say what tremendous work the hon. member for York South did on the board, representing, as he did, the unions, as one of the members of three.

The field of labour-management co-operation is very important indeed and is a field that has now been recognized by a great many people of this country, in which these same people are beginning to become more interested. As hon. members know, I have stressed the importance for over four and a half years now of developing effective labour-management co-operation in this country in order to improve the performance of our economy and to eliminate the distrust between the parties to industry. I am happy to say that great strides have been made in this respect. The lessons to be learned about the contribution of labour-management co-operation to a more efficient economy and rising standards of living have been emphasized for us by the European experience. The recent national productivity council mission to Europe has emphasized the fundamental need in this country for a substantial development of labour-management-government co-operation. As hon. members know, the productivity council reports both to the Minister of Trade and Commerce and to the Minister of Labour. The council has held two significant labour-management conferences at Kingston and at Halifax which have played an important role in the development of consultation between top level labour and management in this country. In the past year, the Department of Labour has organized area conferences of labour and management at Winnipeg, Cornwall and Kitchener to promote labour-management co-operation through exchange of experience on improving the effectiveness of joint committees. The productivity council as recently as last week held another conference in Saskatoon, and the reports I have received indicate that it was highly successful, in fact more successful probably than some of the others. In other words, we are getting into an area of understanding, where these conferences are beginning to bring about a better understanding of labour and management in their own particular spheres. It is planned to hold more of these conferences over the coming months.

All of these conferences have played a significant role in improving the atmosphere of labour-management relations and stimulating discussion of ways and means of bringing about greater labour-management-government co-operation. The labour-management co-operation service of the department is responsible for promoting better labour-management relations throughout Canada. This kind of co-operation at the plant level is one of the important keys to increased productive efficiency and high morale in industry. I might say, Mr. Chairman, that we formed 1,700 such committees at the plant level across this country. We have increased these committees in the past year by 100, and they are doing a very important job in labour-management relations.

I want to remind hon. members that in the field of civilian rehabilitation this house, in May 1961, passed the Vocational Rehabilitation of Disabled Persons Act. That is an important milestone in giving greater economic and social independence to our disabled citizens. Most of the provinces have responded to this legislation by developing a more comprehensive program of vocational rehabilitation. As a result, we have doubled our estimate for this fiscal year, which is only the beginning of a greatly expanded program. Similar substantial increases have been requested in the estimates for vocational training for disabled persons as part of this program. While this government will continue to provide for those unable to provide for themselves, we now know that through the co-operation of provincial governments and voluntary organizations a considerable number of these seriously disabled persons can be usefully employed and can make a contribution to our society.

In the field of special services we have under vote 30 a provision for the special services branch which administers the municipal winter works incentive program, the federal-provincial farm labour program and the program of organized movement of workers between Canada and the United States. It is also involved in our regular winter employment campaign, more familiarly known as the "DO IT NOW" program. I would pay tribute to public-spirited citizens across Canada, the press, radio and television for their co-operation in making this program successful.

Under the farm labour program, agricultural workers are moved within and between the provinces and Canada and the United States to meet seasonal requirements. On October 17 and 18, the department held a most successful conference on training in agriculture. The conference was attended by representatives of provincial departments of education and agriculture, representatives of farm organizations and of industries related to agriculture and of professional agriculturalists. The conference identified and discussed the issues which must be faced in the development of effective agricultural training in Canada and should stimulate the development of greatly improved training programs for agriculture by the provinces under the auspices of the Technical and Vocational Training Assistance Act.

For a few moments I should like to deal with the municipal works incentive program. Last winter's municipal winter works incentive program gained an increased response from the provinces and municipalities and made a fundamental contribution in securing winter work for thousands of Canadians who would otherwise be unemployed. The 8,269 projects that were authorized provided an estimated 148,000 jobs involving almost 6 million man-days of work. The Canadian Labour Congress in its research bulletin for May and June of 1962 has commended this program in the following words:

> There can be no question that the program has been effective and increasingly so—145,000 jobs in the 1961-62 season, lasting an average of about 40 days each for a total of 5,784,374 man-days work —this is not to be sneezed at. Moreover, there is little doubt that at least an equal number of jobs were provided indirectly in the industries which manufacture, sell and transport materials used in these jobs. The program certainly has not solved the problem of seasonal unemployment but it has made a substantial contribution.

In July the government announced that the program would again be in operation this winter on the same basis as last year. All of the provinces accepted this offer and the program got under way on October 15 last. As of January 25 of this year 5,853 projects from 2,293 municipalities have been accepted and approved. The total cost of the projects so far authorized is estimated at something like $319 million. That is, indeed, a substantial public works program for this winter instigated under this program. These projects will provide 107,011 jobs and some 4,949,229 man days of work.

Based on municipal estimates of cost the federal contribution towards these authorized projects is something in the neighbourhood of $35,811,000. These figures represent an increase over last year at the same stage of the program. Since the inception of this program in the fall of 1958 the amount of work provided under the program has increased each and every year and the figures I have quoted with regard to employment provided apply only to on-site employment. It is estimated, as the Canadian Labour Congress points out, that at least an equal number of workers will be employed through the production and supply of materials used on various projects.

I should like to deal for a short while with technical and vocational training in Canada. The provision for the Technical and Vocational Training Assistance Act is made in votes 35 and 40. The Prime Minister recently described this program as "the most massive effort in the field of human training ever undertaken in Canada".

The program of capital facilities and expanded training programs which the Technical and Vocational Training Assistance Act provided represents a massive intervention on the part of this government to equip the manpower resources of Canada, and particularly its youth, to meet the economic and technological challenges of the future.

Effective technical and vocational education is a fundamental prerequisite for the development of sound economic growth in Canada. A few of the reasons for this major initiative on the part of this government may be pointed up by some fundamental facts.

Skilled, professional and white-collar occupations make up 70 per cent of our labour force today while the unskilled and semi-skilled account for the balance of 30 per cent. Over the past ten years alone, professional workers have grown by 70 per cent; skilled by about 38 per cent and white collar workers by 34 per cent. On the other hand, unskilled and semi-skilled workers have increased by only 19 per cent and some unskilled primary industry occupations have declined in numbers.

This vast upgrading of the educational and training requirements of our labour force has been necessary because this country faced a serious problem of youth leaving school without sufficient educational qualification. About 35 per cent of our young people who entered elementary school in recent years have left school at or before grade 8; another 35 per cent left before obtaining their junior matriculation.

Over the next four years, it is estimated that there will be an increase of 280,000 in the numbers of youth attending secondary schools. Already this program is having a substantial impact on our early-school-leaver problem.

In September there were 80,000 more in the 14-19 year age group than last year, but only 8,000 more youth were in the labour market. This has meant that in spite of the very substantial increase in the numbers of youth in this age group, many more of them are staying in school longer to complete their educational and vocational training.

The capital building program, of which I shall give the members of this committee some detail, at its present stage of development will provide facilities to train almost 130,000 Canadians each and every year. In the light of the figures and the increased number of youth who will be attending school and entering post secondary school training facilities, there is absolutely no reason to fear that these facilities will be underutilized as some critics assert. If anything, they may be overcrowded.

Under this act, between April 1, 1961, when it came into effective operation and January 28, 1963, of this year, I as Minister of Labour have approved for federal contribution 468 provincial capital projects for institutes of technology, adult vocational schools, trade schools, and technical and vocational high schools.

The progress of this technical education and capital building and equipment program is so important and of such interest to every member of this committee, I am sure, that I would request the permission of this committee to table a statistical statement which will indicate the details of this program as of January 28, 1963, by provinces and for Canada as a whole. If I may have this permission at this time, I should be glad.

Some hon. Members: Agreed.

The Chairman: Order. Is the table a very substantial one?

Mr. Starr: About one page.

The Chairman: I believe the minister is asking that it be included as part of his speech. As the committee realizes, I cannot accept any document for tabling. Is it agreed that this table will be included as part of the minister's speech?

Some hon. Members: Agreed.

Mr. Laing: At this stage may I ask the minister whether I heard him correctly as saying that this table shows the apportionment between the provinces?

Mr. Starr: Yes; and for Canada as a whole; for both.

[*Editor's note: The table above referred to is as follows:*]

PROVINCIAL SUMMARY

CAPITAL PROJECT APPROVALS

TECHNICAL AND VOCATIONAL TRAINING AGREEMENT
April 1961 to January 28, 1963

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.
ESTIMATED COSTS ($000,000)													
New Schools													
Federal Share	230.0	18.4	2.0	5.3	4.6	9.3	143.7	3.5	4.5	29.7	8.1	0.8	—
Total Cost	355.6	24.6	2.7	7.0	6.2	16.6	234.4	4.9	7.0	39.5	11.5	1.2	—
Additions and Alterations													
Federal Share	62.2	0.5	*	0.9	0.2	6.4	44.6	0.5	3.2	2.4	4.1	—	0.06
Total Cost	103.5	0.6	*	1.2	0.2	15.8	65.5	0.9	9.1	3.3	6.3	—	0.5
All projects													
Federal Share	292.8	18.9	2.1	6.2	4.7	15.7	188.3	4.0	7.6	32.2	12.2	0.8	0.06
Total Cost	458.1	25.2	2.8	8.3	6.4	31.4	299.9	5.8	16.1	42.8	17.8	1.2	0.5
NUMBER OF PROJECTS													
New Schools													
Institutes of Technology	11	1	—	1	2	2	2	1	—	1	1	—	—
Trade Schools	36	12	1	—	3	8	6	—	1	1	3	1	—
Technical Secondary Schools	179	—	1	5	—	—	156	—	2	13	1	—	1
Additions and Alterations (Major)													
Institutes of Technology	22	—	—	—	—	15	5	—	1	1	—	—	—
Trade Schools	68	1	1	6	2	43	6	4	—	2	3	—	—
Technical Secondary Schools	78	—	—	1	—	—	58	8	4	1	6	—	—
Additions and Alterations (Minor, under $10,000)	74	1	4	1	7	3	9	43	—	3	3	—	—
Total	468	15	7	14	14	71	242	56	8	22	17	1	1
New student places provided	129,351	3,670	1,380	2,450	2,215	5,264	93,856	1,920	3,654	10,775	3,993	144	30

* Less than $100,000.

The Chairman: Order. Before the minister continues I should like to inform him, as I do not want to interrupt again in a minute, that his time will expire in a minute. Is it agreed that he has the unanimous consent of the committee to carry on?

Some hon. Members: Agreed.

Mr. Starr: Thank you, Mr. Chairman and members of the committee. As there are many new members of the house who perhaps are not familiar with the contribution which this government has made under this act I should like at this moment to cite its main provisions. Under the act agreements with the federal government were entered into by all the provinces in this country. They provide for a federal contribution of 75 per cent of provincial expenditures on buildings and equipment for vocational training purposes up to March 31, 1963. After March 31, 1963 the federal contribution reverts to the 50 per cent level. In other words, we gave an incentive of an additional 25 per cent up until that time and then the contribution goes back and provides for the paying of 50 per cent from then on.

It is, I think, of special significance that of these 468 projects 226 were for completely new schools. Of the remaining projects 168 were for additions and alterations to or equipment for existing schools or institutes, and 74 were for minor alterations or equipment costing less than $10,000. The total cost of these 468 projects is around $458.1 million and the federal share will be approximately $292.8 million. These figures do not represent the total building program because new building submissions are still being received and new buildings are being forecast by the provinces for the next four years. My original objective in this program will be surpassed by a considerable margin by March of this year.

Training facilities will be available for our Canadian youth and adult workers to enable them to undertake the training they require to follow satisfying careers in skilled and technical occupations and to meet the continually growing needs of our economy. We have other training programs under our jurisdiction and I will deal with them a little later.

The provision of buildings and equipment, of course, only provides the physical facilities for the technical and vocational training. Teachers, courses and the many other aspects of training must be made available and the legislation fully provided for this. There are 10 programs which are being developed under the agreements on a joint federal-provincial basis. They meet almost every conceivable need for training, including the training of technical and vocational teachers.

I will mention some of the highlights of some of the more important programs. The federal government contributes 50 per cent of the cost of these federal-provincial programs with the exception of training for the unemployed to which our contribution is 75 per cent. To meet the growing demand for technicians we are providing for post-high school technical programs in all provinces except Prince Edward Island. This is a new and very important area of our manpower development program and will add greatly to the opportunities for our young people and to the total skilled manpower resources of Canada.

The trade and occupational training programs are being expanded and improved in order to provide a wider range of opportunities in the semi-skilled and skilled trades, the service trades and commercial and business occupations. These are, in the main, the pre-employment programs at the trade level.

In the field of upgrading and retraining I would point out that in the past we have not had an extensive program for employed workers through which they can upgrade their knowledge and their skills. New programs are now being developed in co-operation with industry to meet this need of our adult workers. With rapid changes in production and manufacturing techniques, which give rise to new occupations and displacement in others, it is extremely important to provide adequate training services for those who are now employed. In this connection I would mention the project at Leaside, Ontario, where three companies have joined in a training program for their employees in co-operation with the federal and provincial governments. This is a pilot project in this respect. I can foresee great developments in this program which will help to minimize the less desirable effects of technological change in conjunction with the manpower legislation currently before parliament.

For several years we have been developing and expanding our training program for the unemployed. In this area we are contributing 75 per cent of provincial expenditures on this program provided, of course, the province reaches an agreed upon minimum volume of training. In this area there has been an increase which is not entirely to my satisfaction but during the past year the figures that I have available to me show that some 19,000 people have been retrained under this program, and I hope that the provinces will undertake more and more of this work because of the results that have been achieved in those municipalities where the program has been taken seriously. This program is being expanded in all provinces as a significant step

in creating much wider employment opportunities for those unemployed who take advantage of it.

I wish I could take the time of the committee to tell members what has been done in this field in the city of Cornwall, Ontario where, upon completion of the St. Lawrence seaway and the closing down of the textile mill, the authorities found themselves at odds as to what to do with the labour force. During the past few years, with everyone working in co-operation with the federal and provincial governments, it has been possible to retrain 800 unemployed workers in that area and place them in useful employment to the extent of some 85 per cent of those who were unemployed before. This is a good example.

In the field of the physically handicapped, the training of physically handicapped persons has been going on for some years and, like our other programs, it too is growing. As new facilities become available we will be able to offer even more to those who are in need of vocational rehabilitation because of some physical handicap.

One of the very important new programs in our agreements is for the training of vocational teachers, supervisors and administrators. Many new and improved programs are developing. The staff of our training institutions and our vocational co-ordinators and supervisors are so important that we must place special emphasis on this program. A lack of adequate programs in Canada in past years resulted in a great shortage of competent people for this work. However, progress already made in planning and establishing facilities and classes provides ample evidence that most anticipated requirements for teaching personnel will be fully met as they arise.

Our apprenticeship program is operating through a ten year agreement with all of the provinces except the province of Quebec. This program provides for the long range development of journeymen in the highly skilled trades, and many changes are taking place in apprenticeship programs to meet current and future needs.

Now for a few moments I should like to deal with employment conditions in Canada. During the past two years, and particularly since the beginning of 1961, production, employment and incomes in Canada have risen substantially. The improvement has been reflected in such economic indicators as the gross national product which in volume terms has increased by 8.8 per cent, and the industrial production index which has risen by 7.9 per cent. Employment in the third quarter of this year was between 4 and 5 per cent higher than two years ago, and 6 per cent higher in non-farm industries.

[Mr. Starr.]

In addition to the increase in numbers employed, short work weeks have been eliminated in some plants during the past year and substantial overtime has been worked in others. As a result the average work week in manufacturing in the first seven months of this year was almost half an hour longer than the comparable period of 1961, which is a clear sign of the rising level of industrial activity.

Incomes of Canadians have kept pace with the higher levels of average hours and employment. Personal income in the first half of 1962 was 7 per cent higher than the first half of 1961. For those who like to compare incomes in terms of real dollars per capita, let me repeat what I said during the throne speech debate. In the second quarter of 1962 the gross national product per capita, in 1957 dollars and seasonally adjusted at annual rates, was $1,978. This is $65 higher than in 1957, five years ago.

It has been encouraging to note that a good part of the employment expansion of the past year has been in industries that employ a high proportion of male workers, who form a major part of the unemployed. This year manufacturing provided more than 60,000 new jobs, on average. This summer, for instance, construction employment was at its highest level in three years, up 7 per cent over 1961, and the service industries provided 121,000 additional jobs over the past year.

Seasonal factors remain the major influence in creating unemployment in this country. It is worth noting as an example that some six weeks of severe winter in Britain were recently blamed for an increase of some 100,000 in the ranks of the unemployed in that country. This is a problem with which we have to cope in an even more extreme fashion each and every winter.

In December unemployment reached a total of 6.3 per cent of the labour force, compared to 6.4 per cent a year earlier and 8.2 per cent in 1960. More than three quarters of the total number of unemployed had been out of work for less than three months, and the decline in the number of long term unemployed is particularly encouraging. In September less than one fifth of the total had been seeking work for six months or more.

The combination of increasing job opportunities and declining unemployment resulted in scarcities of workers this summer in specific occupations and specific areas despite the fact that the over-all supply of labour was still plentiful. National employment services across the country have reported a substantial

increase in job opportunities this year, and for many jobs qualified applicants were not available.

As most hon. members are aware, the accelerated depreciation program was initiated last year to encourage new firms to locate in areas of heavy unemployment, and to produce new products in Canada generally. The response on the part of municipalities and business interests has been encouraging. In the early part of November accelerated depreciation had been certified for assets valued at a total of $186 million. That is to say $186 million worth of productive facilities had been or are in the process of being installed to produce products that are either new in Canada or are new to a particular area or locality, and these companies will provide some 5,642 new jobs.

These are among the indications of the many forces at work in the economy to sustain and increase the level of activity. Investment has been substantially higher than last year and there is no sign of weakening in this field. Manufacturing has improved in many fields on account of actions taken by the government in recent years and in recent months. A stimulating effect will be provided by the near record western grain crop.

Export and import industries have been aided by dollar devaluation, as it was expected they would be. Domestic demand is expected to remain high because of the increase in consumer savings. The increase in employment last summer was more than normal and it is expected that the drop during the winter months will be below average. In spite of general improvement unemployment remains a serious problem.

As hon. members know, over the past several years a number of measures designed to implement economic expansion have been approved by parliament, and the effect of these measures has been felt in the general upward movement in the economy. These measures have taken the form of increased works projects, incentives to industry and a general upgrading of the labour force through training and retraining. As the full effect of these measures is felt through the economy, the upward movement will continue. An indication of this is to be found in the economic growth figure expressed in the large and continuing increase in gross national product over the past year, in the improved balance of payments situation, in generally improved conditions in industry and in the greatly increased volume of exports.

Mr. Chairman, for the benefit of hon. members of the committee I have endeavoured to give them—because I do not want to take up too much of the committee's time—what might be termed a bird's eye view of the activities of the Department of Labour. When we come to the particular items I am prepared to be of as much assistance as is necessary to answer questions that might arise in hon. member's minds, and provide them with all the information they need. I would now ask for their co-operation in the expeditious passing of the estimates of the Department of Labour.

Mr. Byrne: Mr. Chairman, we have listened with interest to the minister, as we always do. I wish to assure the minister, who is seeking the co-operation of this side of the house to expedite the passing of his estimates, that we are always pleased to co-operate with the genial Minister of Labour. He may be assured that while we shall leave no stone unturned to examine carefully the estimates he has presented, we will afford him the fullest co-operation. It is unquestionable that the minister has a fine department. He has officials who are doing and have done over the past years a very fine job of administration. There is certainly no question about that. We had experience with them in former administrations and I am sure their high calibre has continued into this one.

The minister has painted a picture of very great economic activity and social well being in the country, to which I am afraid we will have to take some exception. I have made a few notes and I should like to refer to some of the remarks made by him. First I wish to say that we have no quarrel with his retraining and training program except, of course, that it has not reached its acme, by any stretch of the imagination, and can be improved upon. But this, in my opinion, is one of the greater accomplishments of the present Minister of Labour. The winter works program was outlined by the minister. The figures in relation to the operation of the winter works program and the co-operation of various municipalities show that the federal government expended some $36 million in the last fiscal year. This required the greatest co-operation on the part of the municipalities with whom the minister was dealing. I think it is certainly a reflection of the very great interest shown by the municipalities which has contributed to the success of this so-called winter works program.

This program, of course, has been made even more urgent since 1957 because unemployment has been such a serious problem since that time. When the figures presented by the minister are considered, together with the assistance which has been given under the unemployment assistance act and the contributions of the municipalities, it adds up to quite a large, glorified relief program. The sum of $319 million was contributed by the

municipalities in order to alleviate this serious unemployment situation. On the other hand, in 1961-62 the federal government, under the unemployment assistance act, expended some $92 million, representing part of the relief given to those who were not in a category which would provide them with unemployment insurance. This means that we have expended $184 million in relief measures. We have no figures, of course, to show the amount which must have been expended by the provinces and the municipalities for direct relief. When totalled up it will be seen that our relief programs over the year amounted to many, many millions of dollars. So that while the picture the minister paints in this chamber may have the aspect of an aurora, it is not quite in accordance with the facts.

I should like to go back a short way into the history of this question. Let us see what the government was saying in the early months of last summer in regard to our unemployment situation. I am happy that the minister, at least, before resuming his seat did say that unemployment represented a very serious problem in Canada. On June 13, 1962 the Prime Minister said, "We have the unemployment problem in Canada licked now as a result of the policies we have instituted". I repeat, Mr. Chairman, that the Prime Minister said we had the problem of unemployment licked. How does that square with the facts given to the committee by the minister this afternoon?

An hon. Member: It is a question of interpretation.

Mr. Byrne: Yes, we do not have the simultaneous interpretation that was requested here this afternoon. The Prime Minister has made quite a number of statements. In all fairness I wish to say that I cannot connect the Minister of Labour with any of these profound statements of untruths that were made during the election campaign. The Prime Minister made a profusion of statements and said there was no longer any problem. He said our economy had reached its apex and we no longer had any problems as a result of the administration of the Conservative government. I do not know whether the Minister of Labour had a hand in drafting any of the election campaign messages, but his department contributed some very profound statements, statements that if they were believed—and I think they were, by a fairly large number of the electorate—would lead unquestionably to a Conservative government being re-elected. On June 16, I think it was—in any case it was the Friday prior to the election—Conservative party headquarters issued a news release purporting to emanate from the Department of Labour in Ottawa. It said:

> The Department of Labour economists flatly predict that June will see for all those who want to work full employment in Canada.

How does that square with the facts which the minister himself brought to light this afternoon? I took the trouble to put a question down on the order paper this session. It asked:

> Did the Department of Labour issue a press release in June, 1962, which indicated that there would be full employment in Canada during that month.

Of course, as I expected, the answer was, no. The same news release emanating from Ottawa had this to say:

> We repeat—

They were repeating an earlier statement.

> —the bureau of statistics this morning announces the greatest increase in jobs in any month in Canadian history.

In an earlier address to this house given, I believe, during the so-called budget debate, I referred to this matter as being an instance of duplicity on the part of the government. I am using it now to show that the actual facts regarding our unemployment situation are not as the government wished to have us believe either at that time or since. I showed then, on the basis of the actual figures, that the statement which had been put out was untrue, that is, that the actual figures were not correct. I also took the trouble to put down a question asking whether the dominion bureau of statistics had announced in the month of June, 1962, that the greatest increase of jobs in any month in Canada's history had taken place in the month of May. Again, the answer was a categorical no. This afternoon the Minister of Labour himself proved to us that this was a sham—that it was merely advertising which was contrary to the provisions of the Canada Elections Act and contrary to those of the Broadcasting Act.

The minister has said that the rate of unemployment today, that is, the percentage of unemployment to the labour force, is 6.3 per cent. He says that this is average or normal, because it was 6.4 per cent at the same time last year. Let us admit, then, that our economy is sick. Because its temperature has improved by one tenth of one degree, does not give us anything about which we can be satisfied. If this is the attitude of this government, that we should be satisfied with an unemployment figure of 6.4 per cent at that time of the year, in December, when we had the most open fall or early winter of the last half century, it is no wonder that our economy is failing to

move forward as it should. By the time the January figures or even the December figures are published we shall undoubtedly find that the unemployment picture is much changed and, perhaps, unemployment will amount to more than 8 per cent. Is this a situation which the government is prepared to accept as normal? If it is, it is time for the present administration to remove itself from office and make way for another which would be prepared to face the facts of our economic situation.

We have in recent days heard reports of a member of the cabinet, who is apparently not answerable to this house, making statements abroad that those of us who say our economy is not in a good condition should consider our position as Canadians. I am referring, of course to the so-called barefoot boy from Bay street who went to Toronto to lecture the Liberals on the attitude they should take toward this government. I have here a copy of the Toronto daily *Star* of January 29.

Mr. Berger: Would the hon. member yield the floor to permit a question? A reference was made by the hon. member to a certain individual whom he described as a barefoot boy from Bay street. Some of us from the Pacific coast are not familiar with these eastern terms. I realize the hon. member comes from the western side of the Rockies, but he is familiar with eastern terminology; so perhaps he could enlighten the committee and tell us the name of the individual he has in mind.

An hon. Member: Is it Walter Gordon?

Mr. Byrne: If the hon. member will bear with me I will inform the committee of some of the business dealings which this particular minister has had with British Columbia forest industries. If he would contain himself I might proceed further and make my identification more explicit.

I am reading, as I said, from the Toronto *Star*. According to this report the minister from the other place had this to say:

> Those who go around this country predicting crises in its foreign exchange position, predicting economic calamity internally, should give serious consideration to their position as Canadians.

It is unfortunate that this minister cannot come before the house in order to give hon. members the benefit of his thoughts on this subject.

An hon. Member: Read on.

Mr. Byrne: An hon. member has asked me to read on and I will do so. The minister indicated that those who were not happy here could find their livelihood elsewhere. That is certainly not the proper attitude for a minister of the crown to take toward anyone who wishes to criticize the operations of this government or the manner in which it has handled our affairs. However, he went on to point out that there were very serious factors, such as the chronic deficit in the international balance of payments, unemployment, and the need to set up the nation's rate of economic growth. Well, he had better get down to doing just those things, rather than going across the country and criticizing those of us who have for years been telling the government to do just that sort of thing.

Mr. Chairman, what do we propose by way of eliminating unemployment? We do not intend to undertake this over-all state planning as the hon. members of the New Democratic party suggest we should. It is not so long ago that I referred them, in a debate in this house, to some of the recent prognostications of Mr. Khrushchev, who has unquestionably gone the full wheel in the matter of state planning and suggested that in order to stimulate the economy of that great country they should look towards the free enterprise of the western world. So before they go too far around that circle I advise that they be prepared to accept the Liberal middle of the road policy which in the past has brought the very greatest of prosperity to Canada, a prosperity which has not been outdone by any other country in the world.

We shall first establish a department of industry. The government of the day has set up innumerable boards. The strange thing which I found about the throne speech debate was that after the Prime Minister had gone about saying that we had never had it so good, that the economy was buoyant and unemployment was licked, the throne speech contained the outline of the development of at least four economic boards to deal with the problems which he said a couple of months previous to the speech just did not exist. Is it any wonder that the people of Canada today have lost faith in the ability of this government to take the proper measures to deal with the serious problems which face us?

Mr. Chairman, I said that we would establish a federal department of industry. We would undertake to develop true co-operative economic planning through government, management and labour. This does not mean state planning from the top, but a co-operative effort to bring about the very best in economic development. We would undertake to promote on a gradual basis means for more plentiful credit and tax incentives; in other words a public capital works program which would assist in the expansion of trade. We are not completely—

Mr. Gregoire: Why did you not do that when you were in for 22 years?

Mr. Byrne: The hon. member asks me why we did not do that when we were in power. During those 22 years the Canadian economy was never in better circumstances.

Mr. Gregoire: Nonsense.

Mr. Byrne: It has always been true.

Mr. Gregoire: You never did anything.

Mr. Byrne: If the hon. member will contain himself for a few minutes—

Mr. Gregoire: I find it very difficult. It is so discouraging to hear that.

Mr. Byrne: —he will hear what our plans are. We will provide special help to new industries in distress areas.

With regard to the question of assistance to the young members of the community, we would assist boys and girls to stay at school by continuing the family allowance beyond the age of 16, so long as they were at secondary school. We would improve their skills, as has been attempted by this government, and leave them to seek employment in the skilled trades rather than in the labour market today where there are no job opportunities for untrained people. We would also provide scholarships and loans to the more deserving boys and girls who wish to attend university. I think this is one of the more important matters which should be undertaken. It is a tragedy that so many of our young people otherwise qualified are unable to attend university because of the financial deterrent they face. We would establish an arrangement for job training in industry to retrain people who are unemployed or threatened with unemployment. This would be an extension of the program already undertaken, and I am sure that it could be made to work with greater vigor than has been shown under the present government. We would also have national housing insured mortgages made applicable to older homes. We feel that it is extremely important to do this in order that young families would not have to raise the very large down payment required for the building and purchase of a new home. It would also provide for younger families being able to move from a community and establish themselves in another community should their employment cease in that area. We would also make loans and grants to municipalities, which would have the effect of creating immediate employment. We would provide more capital assistance for urban renewal plans.

Mr. Gregoire: Electoral promises, that is all they are.

Mr. Byrne: We would provide federal aid for more building of power projects in other basic work, particularly in areas which need development. There is certainly one area in British Columbia where this government could have expedited the work, and that undertaking is the Columbia river development. In 1957 the federal government offered to pay half the cost of the development of the Columbia river, repayment to be made as the earnings accrued. This government has either delayed or muddled negotiations which should have been settled, and undertakings made to develop these projects, at least two years ago. These are developments which are required and which would certainly provide jobs not falling into the category of the glorified relief programs which we have today. We would provide federal aid for redevelopment of slum clearance, and so on.

So far as the older people are concerned, those who are reaching retirement age, we find today that many of them are forced to stay in the labour force beyond the age of 65 because of their inability to provide a retirement pension for themselves. We would—

Mr. Gregoire: You would do lots of things, I can see that.

Mr. Byrne: The hon. member admits that we would do lots of things. We have done many things in the past. Give us the opportunity and we will do them again in the future; there is no question about that. We would institute a truly contributory plan for portable pensions.

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

Some hon. Members: Continue.

The Deputy Chairman: Does the committee give unanimous consent?

Mr. Byrne: Mr. Chairman, I have no desire to take up more than my allotted time in this house. Thank you very much for your co-operation.

(Translation):

Mr. Lessard (Lake St. John): Mr. Chairman, the Minister of Labour (Mr. Starr) has just tabled the estimates of his department, as prepared in April last, and as revised at the beginning of this session.

Normally, those estimates should have been considered and approved during the last spring session, if parliament had not been dissolved at that time. Therefore, we now have to discuss and approve expenditures of which ten twelfths have already been approved, which puts us in a rather unusual situation. In fact, I think it would be pointless to lose precious time in discussing at

length the figures which are now submitted to us, and I can assure the house that we, Social Crediters, are prepared to co-operate in order to keep the debate within a strict minimum.

We also take into consideration the fact that these estimates will be referred to the public accounts committee where they will be closely scrutinized. So I see no reason to prolong indefinitely this discussion which, for all intents and purposes, will produce nothing and will not make the government change anything to what has already been submitted.

Besides, I am sure that all hon. members would be far more interested in a discussion of the estimates that the minister will submit in his next budget, for then we would be in a better position to judge the attitude that the government will consider taking in relation to the problem of unemployment and of economic and industrial development in Canada.

Mr. Chairman, we note that the amount of money put at the disposal of the department has more than doubled; in fact, it has jumped from $53,935,000 to $112,809,000. I think that, in principle, all members will agree that such an increase was desirable. However, the only remark I should like to make is about the distribution of that money among the various items of that department.

I should like to deal in particular with the technical training assistance, which is increasingly important, and of which the provinces do not seem to have benefited in a fair way.

The figures issued recently have shown that, out of an amount of $285 million, provided by the federal government, the province of Ontario alone secured $186 million, while the province of Quebec received only $13 million. This is quite significant of the problems brought about by a centralized administration which cannot think of any legislation or regulation in terms of the needs of all provinces.

This legislation, having been developed by the federal government, without any detailed study by the provinces, has allowed a particular province to benefit substantially from the situation, to obtain much more than the others, due to the fact that this legislation was developed and drafted in terms of the needs of that particular province.

At his recent meeting with provincial representatives, the minister had the opportunity of listening to their grievances on this particular matter, and I hope he has given full consideration to the requests which have been made to him.

In my opinion, it would have been proper to consider the possibility of maintaining and increasing that assistance of 75 per cent to the construction cost of technical schools in the provinces. This would allow the other provinces, which have not originally benefited from the advantages of this legislation, to benefit this year from that federal offer. That also brings to light the fact that the provinces alone have not enough income at this time, to carry out their tasks with regard to vocational training and the training of the teachers who are to give courses in the technical schools. Here again, we have the problem of the distribution of taxes and of the whole fiscal field.

Mr. Chairman, the training of workers is one of the many aspects of the problem created by the unemployment which now prevails in this country. We seem unable to solve this problem. To increase the number of jobs is the main objective now, so that we may eliminate unemployment.

It is all right to appoint research bodies, to send missions abroad to examine the situation and to propose training people for a higher level of efficiency by increasing the number of our technical schools. The fact remains, however, that all those measures are subject to an increase of employment opportunities in this country.

How can we increase the number of jobs in Canada? To enlarge our plants and to create new ones seems to be the only solution at this time, and I wonder how the government intends to obtain that increase in production through the increase in the number of our industries.

The government made an inquiry, sent missions in Europe and in almost every country in the world to observe what is being done there to deal with unemployment and promote industrial development.

It seems to me that all those things are closely related to a new conception that we must have as regards the needs and the goals of labour.

Here I should like to bring to the attention of the committee an editorial which appeared in the Toronto *Star* and which dealt precisely with a problem related to the present unemployment situation. And, in this regard, I shall refer to disarmament, about which so much is being said nowadays. A world wide campaign is going on at the present time for complete disarmament. Well, that editorial

mentions that, at this moment, armed forces and war industries are providing jobs for 50 million men and women. Therefore, although in our hearts we all want disarmament, it is normal for our administrators to ask themselves how they would provide for 50 million additional employees because, even now, our leaders cannot organize our economic system in such a way that the available labour force will be kept busy.

It makes one wonder whether our administrators are really serious when they ask for world disarmament. Do they really want that disarmament which, after all, would create other problems for them, much greater problems probably, in the field of employment?

That brings up the problem of the false economic conception we now have, of the false conception of the purpose of labour. If, at the present time, we can provide a livelihood and pay salaries to 50 million men and women in the armed forces, when, to all practical purposes, they do not offer any services nor produce any consumer goods whatever, I wonder why we cannot provide them with a livelihood outside of that war production and those armed services.

I know, Mr. Chairman, that it is a very complicated problem which calls for a thorough retraining of that mass of people who, for many years, have performed military functions.

I know that the governments which, at present, realize this problem and consider such a contingency, are wondering how to provide the jobs which would be required at that time, due to the discharge of these military people who would come on the labour market, which would likely cause as great a threat as the present nuclear threat. That is why we can see in the world today economically strong countries, for instance the western countries, a war policy being promoted because it serves their interests and it hides a colossal failure with regard to the economy and the understanding of human needs.

I am sure, Mr. Chairman, that as long as we consider work as an end in itself, we shall always encounter these same problems.

To go back to the possibility of increasing the number of jobs here in Canada by increasing the number of our industries, unfortunately I must say that now, with the present world economic doctrine, with all those circumstances which exist, with all the international agreements, I think that the government will have to impose tariff protection measures for new industries. It will have to do it on a temporary basis, so as to enable those new industries to compete with foreign producers, within our home market.

At present, there are foreign manufacturers who sell in Canada. We should interest Canadian businessmen to manufacture those products sold in Canada by foreign manufacturers.

I know very well, of course, that it is impossible to make everything we need and everything we consume. From an economic standpoint, it is probably difficult to do so. But I think that between the present situation and an improved one, there is a long way, and we can work and achieve some objectives.

The possibility of resorting to tariff measures to help our industries undoubtedly represents one solution. I would not say it is the best solution, but it is one of them and of course, it should be temporary.

Now, there would also be special tax abatements. There would be the accelerated depreciation of investments and a wider use of the industrial development bank which I think does not play its part any too well. That bank should not be only an industrial development bank, but also an industrial creation bank, because we shall certainly need funds to finance those new industries.

At this time, I should like to quote an item which I noted recently in a newspaper. It is about an economist who was considering the economic situation of Canada in relation to our external trade. He was analysing our monetary deficit. He was pointing out the interests and dividends we pay each year on American investments in Canada. He was mentioning our imbalance of trade with the United States which amounts to $1 billion and several hundreds of million dollars each year, with respect only to interests and dividends paid on American investments in Canada.

According to him, we are not even able at the present time to correct this imbalance; we are even unable to suppress its cause.

Only yesterday, one could read in the papers that in 1962, American investments in Canada reached $1,100 million. This means that we will have to pay to our southern neighbours additional interests which, in any case, sooner or later, will always show up in the continual deficits we have known in the past and which will keep on increasing as long as we will not change our economic concept respecting

the development of our industries and of our natural resources by Canadians and, as far as possible, with Canadian capital.

I feel, however, that the industrial development bank will be the most appropriate organization, after its regulations are amended, to promote the economic development of Canada.

I know that Canadians have savings which they could invest in industry, but at the present time, the different levels of government, through their various bond issues, create a scarcity of capital available for the development of our industries.

Then, if the government cannot think of any other way of financing its management, well, it will have to be in a position to create the source of capital it needs to make the development of our industries possible.

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

The Deputy Chairman: Order. So that the house may proceed with the consideration of private members' business, pursuant to section 3 of standing order 15, it is my duty to rise, report progress and request leave to sit again later this day or at the next sitting of the house as the case may be.

Progress reported.

(Text):

Mr. Speaker: It now being five o'clock the house will proceed to the consideration of private members' business, which is today notices of motion as found on page 25 of the order paper.

(Translation):

HOUSE OF COMMONS

ESTABLISHMENT OF SPECIAL COMMITTEE ON PROCEDURE

Mr. Gerard Chapdelaine (Sherbrooke) moved:

That this house is of the opinion that a select committee be appointed to consider with Mr. Speaker the procedure of this house for the purpose of suggesting any changes that may be desirable to effect a more expeditious dispatch of public business.

He said: Mr. Speaker, the purpose of this motion is to shorten the duration of sessions and to save the Canadian taxpayers' money. The mere fact of having shorter sessions might make us forget any idea of raising our salaries as members of the house.

As a newcomer to this venerable assembly, it was my privilege, at the opening of the session, to attend a ceremony which is most impressive but which has no meaning in the twentieth century. In my opinion, it is most childish on the part of so-called adults to go through such motions.

Without harming anyone and setting aside the question of age, we could—

Mr. Speaker: I trust the hon. member is not suggesting that the role played by His Excellency the Governor General is childish. Otherwise, I will have to remind him of the standing order which forbids any allusion to the crown or its representative in such terms as those I have just heard. I hope the hon. member will explain himself.

Mr. Chapdelaine: Mr. Speaker, I am not referring to the participation of the representative of Her Majesty the Queen to the opening ceremony of parliament. I am just talking about a time-consuming and costly ceremonial.

I merely wish to point out that in the twentieth century, we should no longer have to observe the sort of formalities in honour at the court of Louis the Fourteenth. To revert to the principle of my motion, I suggest that the throne speech debate should not take place. In my opinion, this eight day period used by the leaders of opposition parties to derive probably some degree of political capital, but which promotes in no way the public welfare, should be abolished, thus enabling us to consider without delay the business of the house and to hasten passage of legislation brought before the house.

I had the opportunity to attend the opening session of the United Nations and I found out that in this world assembly, no time is lost on such a trivial matter as the reply to the president's speech.

I also suggest, Mr. Speaker, that the time allowed to hon. members be cut down from 30 to 15 minutes. Moreover, the sittings should be from 2 to 7 p.m. instead of from 2.30 to 6 p.m. and from 8 to 10 p.m. Thus the members could attend to their work as representatives of the people, in the evening and in the morning.

At this time of day, members introduce notices of motions and everyone knows, Mr. Speaker, that all of them get a first class burial.

I think that all hon. members are of the opinion that this time is put at our disposal merely to give us the opportunity to make speeches, and the administration of the public business does not benefit from it in any way. The time provided for the consideration of private members' business could be abolished, which would give us an extra hour a day.

If some do not agree that this hour should be abolished, we might get in touch with the other parties and find out if one of them intends to kill a motion. Under the circumstances, the sponsors of such motions could withdraw them so as not to waste their time or take up the time of other hon. members.

I would also suggest, sir, that we abolish debates on resolutions submitted to the house by committees. We do not have the bills before us during such debates and that is a loss of time because such legislation comes before the house at a later date and we then have to engage in another time-consuming debate.

Consideration should also be given to shortening the question period.

The question period, that lasts over an hour and a half at times, has become a real free for all. In my opinion, it could be limited to half an hour; each party would have the right to ask only so many questions and each member would be allowed only one question. We could thus dispatch more expeditiously the public business. We would not see ridiculous situations happen every day, which has been the case since the beginning of this session.

Mr. Boulanger: Mr. Speaker, would the hon. member allow me to ask him a question? Has the hon. member for Sherbrooke read the comments made today by Mr. Marcel Gingras in *La Presse*? They could enlighten him.

An hon. member: We have no time to read *La Presse*. We have work to do.

Mr. Speaker: May I remind some hon. members that they should not make remarks when one of their colleagues has the floor?

Mr. Chapdelaine: Mr. Speaker, we should also consider immediately giving to the other place the responsibility to settle divorce bills. We lose considerable time on those bills and I think we all agree that the other place has the required competence in that field and should look after it.

Mr. Speaker, since I do not want to talk out my own motion, I suggest that some postures we have to assume in the house, and more particularly the kowtowing, be eliminated, not to cut down the time reserved for the business of the house, but rather because that puts us in some ridiculous positions.

(Text):

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, in rising to speak on this motion I can say at the outset that I am in favour of it. I think the time has arrived when the special committee should be reconvened in order to consider further the rules under which we carry on business.

It was mentioned in the speech from the throne that the committee would be reconvened, but in view of the initial remarks of the hon. member for Sherbrooke (Mr. Chapdelaine) in which he bypassed this formality, I presume he did not wish to refer to it. Nevertheless that particular proposition is in the speech from the throne, in somewhat similar terms. In any case I am in agreement with both propositions.

I think the reason for inefficiency in this house is that we spend many hours discussing matters on which there is agreement, just for some procedural advantage. This is the sum and substance of all our difficulties, and we can avoid a lot of the lost time if we are able to remove some of the advantages that accrue from talking on things on which there is general agreement.

I should like to mention a few now in the hope that this committee, if set up, will consider them. The first subject with which I wish to deal is the private members' hour, which we are in at this moment. I have always felt that a good deal of time is wasted in private members' hour by hon. members carrying on a debate for the purpose of filling in the one hour allotted. In this particular matter I accept equal responsibility with a number of my colleagues.

Mr. Knowles: You are the first among equals.

Mr. Aiken: I am glad that the hon. member for Winnipeg North Centre (Mr. Knowles) gives me first place somewhere. However, Mr. Speaker, this is one of our major problems. I think it could be cured and I am going to put forward a proposal in connection with private members' hour which I think will help. When the rules were last revised private members' hour was put on daily. That was a great advantage because now a tremendous number of notices of motion are put before the house. Before this amendment only about four private members' notices of motion ever came before the house, and those generally were talked on for a whole day. The present system is certainly much better. However, I would suggest that we could improve it if, after all hon. members who indicate that they wish to speak on the subject have spoken, and no

other person appears ready to rise and continue the debate, the minister under whose jurisdiction the particular subject comes, or his parliamentary secretary, were to rise and take one of three choices. First, he could indicate that the government accepts the resolution or bill in general terms. Second, he could indicate that the government rejects the resolution or bill. In the case of either of these two alternatives the question should immediately be put, subject to the right of the sponsor to close the debate. The third choice I would suggest is that the minister could state that the government desires to give further study to the resolution or bill. In such event the minister or parliamentary secretary could move the adjournment of the debate.

This would not in any way be limiting the rights of private members on private members' hour, because this situation would only arise if no other hon. member appeared ready or willing to speak on the subject, in which event the minister or his parliamentary secretary could rise in the same manner as does an hon. member who closes the debate and state that the matter is worthy of consideration and will receive further study; and the debate should be adjourned for the time being. I think this would be very helpful because the house could then go on to another resolution or bill. In some of these cases only one or two hon. members are prepared and willing to speak on the subject, and sometimes these matters are brought forward in a hurry due to the previous motion or motions having been stood over. I think in this way we could save a good deal of time. As I have said, I am the first to admit that on various occasions I have been guilty of speaking on private members' hour when perhaps I was in favour of the resolution or bill and might better have let it come to a vote. But we have to be honest about this. Because of the way the procedure is set up it is sometimes advantageous that certain resolutions should not come to a vote. With this very honest approach to the matter I believe we could go a long way toward making private members' hour more efficient and effective.

I have another suggestion for saving time, Mr. Speaker. I think that the question of appeals from decisions of the Speaker should be reconsidered. I believe that the Speaker's decision should be final and not subject to appeal to the house.

An hon. Member: Why?

Mr. Aiken: I will come to the point in just one moment. The main reason is that appeals to the house never decide whether the Speaker was right or wrong. They are never voted upon on the basis of whether the Speaker made a correct decision. I have observed over a period of almost six years the question of appeals from decisions of Speakers and have noticed that in every case the appeal is voted upon on party lines. This does not mean anything. It does not mean that the Speaker was either right or wrong in his decision. I feel that in order to have an orderly growth of a body of precedent in the House of Commons the Speaker should make a decision to the best of his ability and that decision should be final. I say again that when voting on an appeal the minds of hon. members in the house, I am sure, are not always on the correctness of the Speaker's decision or on precedent, but are on other matters which possibly are quite beyond the correctness of the decision. I think there is a great deal of inconsistency in connection with appeals to the house from the Speaker's decisions. We find in one parliament that a certain ruling by the Speaker, which may have been in accordance with precedent, is reversed in another parliament simply because of the system of voting on party lines. In this way different conclusions are reached in different parliaments.

Therefore it does not follow that any body of precedent can be established or that an appeal from the Speaker's ruling means anything at all as far as the correctness of the decision itself is concerned. I think that errors which Speakers make and have made in the past are matters all of us must accept in electing a Speaker to make decisions on our behalf. I do feel that the Speaker's decisions should not be subject to appeal to the house.

In a similar category is the question of appeals from decisions of committee chairmen. As I understand the situation, Mr. Speaker, we are in a considerable state of confusion in this house with regard to an appeal from a decision of a chairman of a standing committee. There is nothing in our rules of practice and procedure relating to appeals from committee chairmen and there has never been, to my knowledge, an established practice with regard to whether there is an appeal, and if so, to whom. In the first section of our rules it is stated that if nothing is provided to the contrary in our rules, the practice of the House of Commons at Westminster shall be followed. In the House of Commons at Westminster there is no appeal from the decision of—

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, on a point of order. In my opinion, the hon. member who is speaking now does not refer at all to the matter under consideration. In fact, the proposal of the hon. member for Sherbrooke does not mention at all the changes to be made, but simply suggests the setting up of a special committee that would study what has to be changed. Consequently, the hon. member should stick to the motion.

Mr. J. A. Habel (Cochrane): Mr. Speaker, as far as the rules are concerned, I believe that the mover of the motion himself proposed some changes, and I am of the opinion that the remarks of the hon. member for Parry Sound-Muskoka (Mr. Aiken) are quite in order.

Mr. Gregoire: Mr. Speaker, if some of the remarks made a few moments ago were not in order, that is no reason why everybody should be out of order.

Mr. Speaker: One can go back briefly to certain previous remarks, in order to indicate the reasons why one is in favour of the creation of a certain committee. I think that at this stage of the business of the house one can discuss that and I feel sure that a few hon. members would like to make themselves heard on that subject. Perhaps the hon. member for Lapointe (Mr. Gregoire) will want to make some remarks also in this debate.

Mr. Gregoire: I intend to, in a moment.

Mr. Speaker: In that case, we shall proceed.

(Text):

Mr. Aiken: My point in drawing attention to these things is that these are reasons why a committee should be set up. I am setting forth what I believe to be inequities in our present procedure, deficiencies which could be corrected by such a committee. I believe these are perfectly good reasons for supporting the motion.

Perhaps I might continue on the subject I had raised earlier with reference to appeals from decisions by committee chairmen. The present situation is confusing. Under its rules, the house of commons in the United Kingdom has no provisions for such appeals. If we refer to the United Kingdom rules—and there is nothing in our own rules to deal with this particular case—we find there is no provision for an appeal from rulings of the Chair, and it follows there is no appeal from the ruling of a committee chairman in Canada. I have taken this position in the committee of which I have the honour to be chairman. Even if there were the right of appeal there is some doubt whether the appeal should be to the house or to the committee itself. I do not wish to pursue this matter but I think it is a subject which might well be considered by a committee such as is proposed.

There is one other thing we might well do to prevent too much jockeying for position during the session and to facilitate the expeditious dispatch of business. I believe the time has come when the proposed date of the prorogation of the session of parliament should be announced at or near the beginning of each session and that unless the session is extended by a vote of two thirds of the members it should be prorogued on that date. The responsibility for delay, extension, failure to bring forward legislation, failure to act on legislation and so on could not then be shifted back and forth between one party and another. It would then be up to the house to conclude its business within the time allotted. I think that if such an announcement were made it would prove of great advantage.

I also think the time has come when the length of the sessions of this house should be considered. Certainly, as a collateral question, the subject of members' pay has come up as was mentioned by the proposer of this motion. But I think that if the work of the session were dealt with expeditiously and if members could return to their private business for at least half their time during the year, they would have no financial difficulties. I certainly believe that if such a procedure were adopted it would prove satisfactory. Should certain matters arise requiring an extension of time, this could be arranged by a two-thirds vote.

In the same vein I would suggest that no legislation should be introduced later than two weeks prior to the proposed date of prorogation. I think if this suggestion were adopted the house would be in a position to conclude its business in good order and, when the time arrives, there would be no last minute legislation likely to warrant extending the time of sitting of the house except, as I have said, in the case of an emergency, in which situation a vote of two thirds of the members would be required.

These are just a few of the many subjects which require discussion in such a committee as is proposed. I support the motion. I hope the committee will be set up and that these matters will be dealt with. I think this is more than a routine debate and a routine resolution. It is a most serious matter. Right now, as far as this house is concerned, we are wasting time. But who is to blame? It is easy to throw accusations back and forth that it is this party or that party which is causing

the difficulty. We have to face the situation which confronts us. I think the time has come when it must be faced and the only way in which it can be done, as far as I know, is by revising the rules so as to impose on ourselves some restriction to prevent our wasting the time of this house and the people's money.

Mr. A. J. MacEachen (Inverness-Richmond): The theme of the motion by the hon. member for Sherbrooke (Mr. Chapdelaine) is that the House of Commons ought to make haste speedily, that it ought to engage in a more expeditious dispatch of public business. He suggests that the way to do this is to set up a committee on procedure to consult with Your Honour and to effect changes in the rules.

We all want to save time. We all want to shorten debate and shorten sessions, provided this objective is reached without failing to achieve an even more important objective, namely the preservation of the rights of private members of the House of Commons. One of the main purposes of the rules is to protect the rights of individual members elected in their individual capacity to serve their constituents. The rules also provide a systematic method of dealing with public business and they ensure that there is an opportunity as the life of each session unfolds for each item of public business to be discussed in a systematic way. The rules under which we operate have been tried and tested by experience and I believe it is a mistake on the part of hon. members, and especially on the part of the mover of this motion, to believe that all our parliamentary difficulties and frustrations flow from faulty rules and that these difficulties could be removed by a formal change in the rules.

I was surprised that the hon. member should recommend that the opening ceremony in connection with parliament ought to be abolished, that we ought to save a few hours and thereby deprive ourselves of a reminder for example, of the symbolic importance of the mace and of the importance of the first bill the Prime Minister introduces. These are ceremonies, but they remind us in a short space of time of the struggle that has taken place over the centuries to reach a position where we have a free parliament, where free discussion is possible. On reflection, I am not surprised, because this attitude is consistent with the anti-parliamentary, anti-discussion approach which has been manifested by the hon. member's particular group since they came into the House of Commons.

Mr. Speaker: This debate has been conducted on a pretty high level so far. Therefore for the good of this debate we will keep partisan references out of it. If I can I should like to avoid recrimination, and I hope we will not get into that field. I am not suggesting that the hon. gentleman is doing so now, but there may be a tendency to get into it.

Mr. Pickersgill: We might have a debate.

Mr. MacEachen: The hon. member is not the first member of parliament who has tried his hand at streamlining our work. He is not the first among the present members of this house who has made sincere proposals to streamline the work of the House of Commons. The Prime Minister (Mr. Diefenbaker) not so many years ago held out great hope that the expansion of the committees system would make parliament a more effective instrument in dealing with the public business. If I may quote from a comment made by the right hon. gentleman in 1960, he stated as follows:

> In pursuance of our desire to bring about an expansion in the opportunities for all members of the house as a whole to make their contribution, we have in the last two sessions set up a number of committees... I hope we will be able to expand the system in this regard to the end that we can use committees to a larger extent than in the past, thus rendering parliament more effective.

The house has attempted in the organization of its work in the past five years to make the committees system a more effective instrument and to relieve the House of Commons of certain burdens. I noticed that the Prime Minister confessed with candour not so many days ago in this house that the hopes he had held for an expansion of the committees system were not realized, and that this effort he had in mind had not reached its objective. I believe there is a resistance among members of parliament in transferring from this national forum to other subsidiary bodies certain functions, including committees of the house, and I believe there will be a resistance to the changing of any rules that hon. members might feel will in the future restrict at a critical time the right of any individual member to express his opinions.

In saying that, Mr. Speaker, I am aware that the committee on procedure sitting under your predecessors has accomplished a good deal in streamlining, and especially reducing, the time spent on debate. That work was done, as we know, with the active co-operation of Liberal members sitting on that committee. Private members' days have been reduced in number. The length of speeches has been reduced. The number of days spent on the budget debate and on the address in reply has been reduced. As all this has happened, serious parliamentary observers have wondered how far the erosion of the rights of private members is going to continue.

Where is it going to stop? We have had from the hon. member today a proposal that we abolish altogether the address in reply, which is the first opportunity, maybe the only opportunity, new members elected to the House of Commons will have to address the Commons on behalf of their respective constituencies. Abolish that altogether, is the view of the Social Credit party. Again they say, abolish the private members hour, which time has already narrowed down, but is still there to give private members an opportunity of bringing before the house subjects in which they are interested. Even though no action might be taken on them, at least public opinion is formed and views are expressed.

Mr. Chapdelaine: Would the hon. member permit a question? Has the private members' hour ever done anything good for him?

Mr. MacEachen: Well, I think, Mr. Speaker, I have answered that question by anticipation. I ask myself whether there are important changes which can be made in the rules of the house which would effect real economies in time. We have reduced the time on the address. Shall we reduce it two more days and thereby deny more members the opportunity to take part? Shall we reduce the budget debate and thereby deny more members an opportunity to take part? Shall we reduce the number of supply motions and deny private members an opportunity to raise votes of non-confidence against the government? Shall we reduce the number of readings of a bill? Shall we have only one reading and pass the bill at one stage? This is the kind of important change which will have to be made in the rules in order to effect real economies.

Mr. Speaker, in the light of the remarks made by the hon. gentleman, and in the light of his desire to achieve economies through cutting down opportunities for debate, I was surprised how fully and effectively the members of his party have taken advantage of their opportunities for addressing the House of Commons since they have come here, and how fully they have been reported in the press of the country.

Mr. Valade: Are you jealous?

Mr. MacEachen: For example, on the budget resolution, the ways and means debate, there were 14 Social Credit speakers, more speakers than any other single party in the House of Commons put forward. Eight days were spent on that. Perhaps four days would have been saved if the hon. gentleman had imposed the self-denying ordinance he now wishes to translate into the rules. That same point can be made in connection with the participation of other hon. gentlemen in that group in debates in this house. I have no objection to it, but I do wish these gentlemen would admit that they are taking part in debates under certain rules enshrined in the standing orders of this house which give them the opportunity to speak freely and be reported in the press of this country freely.

I do not believe that the work of this session has been so unimpressive that it ought to lead to an immediate drastic change in the rules. In the first 60 days of the current session we passed 17 bills; these were government bills. That is a better record than any session in the recent past. In 1958, in the first 60 days we passed nine bills. In 1959 we passed nine bills, in 1960, nine bills and in 1960-61 we passed only six. Why all this talk of obstruction? Why all this talk about holding up the business of the country, when our legislative output in this session is more impressive than that of any session in the past five years as a result of members of the opposition having co-operated within the rules in a spirit desirous of completing the public business?

Some hon. Members: Oh, oh.

Mr. Gregoire: You are supporting the government there.

Mr. MacEachen: I am supporting the possibilities given under the rules for free discussion in this house. By putting forward the legislative output of this house I want to answer the charge of obstruction which is either traceable to a deficiency in the rules or to a deficiency in hon. members of this house.

There is another thing we must remember, namely that the business of the country is becoming more complicated. The burdens of government are becoming heavier and greater opportunities must be given for debate. Let me remind hon. gentlemen that in the years 1945 to 1950, that five year period, an average of 20 days was spent in the discussion of the main estimates. In the period from 1952 to 1957 a total of 40 days on the average was spent in the same fashion. Is that doubling of time traceable to obstruction on the part of hon. gentlemen who now, in the main, sit on the government side and who doubled in their years in opposition the time taken to deal with the main estimates?

Mr. Jones: It is 60 days now.

Mr. MacEachen: We are being criticized because in this session up to now we have had five days in which to deal with the main estimates whereas in a normal year, when these hon. gentlemen were in opposition, 40

days were taken to deal with those estimates. Yet the Prime Minister says, "Let us get through with these estimates; there is obstruction; you have had five days; we must get on with the budget".

I think one of the important matters we must remember is that the government of the day has a place in the organization of the business of the house. It is the government, and nobody else, which decides every day the business that will be dealt with the next day. All the opposition can do is to react: it cannot initiate. It is not the responsibility of the opposition to organize the business. It is because the business of the house has been so badly organized that we have had only five days on the main estimates, and only one supply motion. There is frustration among members of the house. There is a false idea that we ought to improve the situation by changing the rules.

Mr. Speaker: Order. In embarking upon this type of argument the hon. member is getting out into space, as far as this motion is concerned. No charge has been made. There is a question here as to whether there should be a committee to speed up the business of the house and generally consider the rules. No one has been making charges and answering in this debate. I think we will keep the matter on that basis.

Mr. MacEachen: I appreciate the point you made, Your Honour; but surely in a discussion of the way in which to deal expeditiously with public business we must ask ourselves the question whether this purpose can best be served through a change in the rules or whether there is another way which might yield greater results. I think that establishes the relevancy of my comments to the effect that the government is responsible for the agenda. If the house does not get the agenda, it cannot move ahead. I could give many illustrations but, in the light of your admonition, Mr. Speaker, I will give only one more.

In the session of 1960-61, the opposition agreed to waive the debate in reply. The opposition gave up its rights and it was unanimously agreed upon by all members of the house. How many bills were passed in the first 60 days? Six bills were passed. What was the reason for that situation? The reason was that the government was not ready. The government could not bring on its legislation and the house wasted its time in fruitless discussion, with no results. That is why I say that, although we will agree to the setting up of a committee on procedure and will co-operate with other members in making whatever changes are to be made, nevertheless there are other more important ways by which the public business can be expeditiously dispatched.

I agree that certain constructive ideas are coming forward in this debate. A suggestion has been made by the mover that we ought to reduce the time of the question period. I go along with that idea. I am sure Your Honour would appreciate a suggestion in the committee on procedure that some arrangement, possibly on an experimental basis, could reduce the oral question period to half an hour per day.

Mr. Speaker: Order. I do not wish to interrupt the hon. member as he may be touching on, shall we say, a subject of interest to the Chair. However, the clock unfortunately has imposed its sanction on the hon. member, and I will recognize the hon. member for Greenwood.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I think the hon. member who last spoke, namely the hon. member for Inverness-Richmond (Mr. MacEachen), was a little bit less than fair to the mover of the resolution. I think the mover intended to improve parliamentary procedures and to make this parliament more effective. I do not think he proposed in any sense to cut down discussion or to abridge the rights of private members or of parliament.

I support this resolution because I, as I think do many other hon. members, feel strongly that this parliament, being the central institution of democracy, should function with just as much efficiency as is possible. If the procedures in this parliament are obsolete and lend themselves to endless repetition and to long winded and unproductive discussion, then to that extent parliament itself falls into disrepute. In suggesting, in accordance with what has already been promised in the speech from the throne, the setting up of this committee, I feel that the hon. member intended, as do we in this group, to improve the procedures of parliament. We believe it is urgent to improve the procedures of this parliament and not in any way to abridge its rights. It struck me that the hon. member for Inverness-Richmond showed some of the complacency and conservatism which one also associates with his party.

I suggest that the committee should be set up. I wish to make one suggestion, namely that many of its members be new members of this house. In discussion with members in all parts of the house who have been here for some time I have observed that they have relapsed into a state of despondency, despair and discouragement, and have become inured to the procedures of the house. They have got themselves into a condition

in which they do not believe anything can be done, and sometimes they doubt whether it should be done. As one of the new members I wish to say, and I believe I share this view with many new members, that I am a little bit horrified by the time that is wasted, and by the amount of repetitiveness in debate, which I believe brings this house into disrepute. I suggest one reform that is obvious, namely that we should not give way to our national Canadian weakness for long windedness in speeches.

As hon. members will recall, apart from the formalities, we started this session with a three hour address from the Leader of the Opposition (Mr. Pearson), followed by a three hour address from the Prime Minister (Mr. Diefenbaker). I am saying nothing disrespectful to these two gentlemen when I suggest that their speeches would have been infinitely more effective if they had taken not more than an hour each. It is my conviction that all the members of this house would make more effective speeches if, instead of speaking for their full time of 40 minutes, they disciplined themselves and spoke for half that time. I understand that in the mother of parliaments there is no rule as to the length of speeches, but that it is the custom of members who speak to speak for only 15 or 20 minutes. Should they exceed that time, not only are they drowned out by their colleagues but the Speaker seldom, if ever, recognizes them again.

I know that is not a responsibility we can put upon you, Mr. Speaker, because, by long custom of this house, it has been the practice for each hon. member who speaks, whether he has anything to say or not, to speak at interminable length and to the full extent permitted by the rules. I suggest that one real reform would be to cut in half the time allowed for speeches. By that means we would get more speeches from more members and better speeches, than we get at the present time. There would be an improvement in our democratic procedure which might save time. I am not suggesting, Mr. Speaker, that saving time is the only object of reforming the rules. We could save time, of course; but I am suggesting that streamlining the procedure would not only save time but make the time we do spend more productive and more worth while.

I have often noticed that those who have to speak in 20 minutes speak a lot better than those who are given 40 minutes. I have not addressed this house very often myself, but on one occasion I realized it was seven minutes to six o'clock, the time it is now, and I had a 20 minute speech prepared. I boiled it down to seven minutes, and several members of the house were kind enough to tell me it was by far the best speech that I had made in the house.

Mr. Churchill: Stop now and you will get the same compliment.

Mr. Brewin: Mr. Speaker, I am going to practise my own principles, but by trying to confine myself to about 10 minutes rather than seven minutes. The recommendations I have made should be considered by this committee.

The question of committees has been brought up. I do not care whether or not it has been tried before. I suggest most seriously that the committees system should be employed more effectively than it has been. I remember thinking it was a great honour to be appointed to the committee on external affairs, and that as a new member I might learn something. In four months, Mr. Speaker, that committee has never met. What sort of system do we have? We have members who are anxious to find out about these subjects that concern all members who have been appointed to various committees, presumably because they have some special interest in the subject; but they have no opportunity to learn about them through the effective working of committees. If the system has been tried and found wanting, then let it be tried again, because in my respectful submission it would vastly improve the efficiency of the members of the house.

I am not singing a new song, Mr. Speaker. Mr. Cardin, a Liberal cabinet minister, said in 1943 that the rules were obsolete and that there was an urgent necessity for changes in procedure. Just to show that I pick authorities impartially, Mr. John Bracken described procedure in the Canadian parliament as being still in the oxcart stage of half a century ago. I know there have been some changes made but in my submission they have not been enough and have not gone far enough.

Mr. Nesbitt: The voice of experience.

Mr. Brewin: Somebody says "the voice of experience". Some of us have had experience outside of this house as well as in it, and I suggest that outside this house the procedures of the house would be regarded as intolerable, wasteful of the time of members and urgently needing reform. I have in front of me a book by Professor Dawson entitled "Procedure in the Canadian House of Commons". Having referred to all the revisions that have been made hitherto he goes on to say:

> These revisions, however welcome, are only partial ones and leave many of the important defects of procedure untouched. The house still takes too long to do a relatively small amount of work. Debate during most of each session remains largely disorganized and repetitive. The committee system could be used to greater effect. The house

does not give proper scrutiny to the public accounts and the estimates. These important problems are with the house today and seem likely to remain so indefinitely into the future.

That is the view of an impartial observer outside the house and my experience in the house, brief as it is, makes me believe it entirely justified. To those members, and I am sure this includes all members, who believe in the essential importance of parliament as an instrument for the welfare of the Canadian people I suggest that reform is urgently necessary, if this institution is not to fall into disrepute. There is still time to vote on this resolution, Mr. Speaker. I have now spoken for only 10 minutes so I will obey my own injunction and sit down.

(Translation):

Mr. Georges Valade (St. Mary): Mr. Speaker, I deplore the fact that the hon. member who just resumed his seat, while advocating freedom of speech, prevented a member from another group to express his views on this proposal.

In my opinion the purpose of the mover of this motion is most commendable and I believe that it fills an urgent need to reduce useless loss of time and to enable us to do constructive work.

Mr. Speaker, I am most surprised at the stand taken by our friends in the Liberal party, and more particularly to hear the hon. member for Inverness-Richmond (Mr. MacEachen) say that the motion should not restrict the liberty of members to express their views before the house on all the amendments to be made to the standing orders.

I also deplore the use the hon. member for Inverness-Richmond made of the word freedom, because we, Conservatives, are not responsible for applying the closure rule. We remember the now famous pipe line debate. I cannot see how the Liberals, who do not like to be reminded of the circumstances which surrounded that debate, can now support the advisability of amending the procedure of the house.

I do not feel either that we should restrict freedom of speech, but after the remarks of the hon. member for Inverness-Richmond about freedom and the intention of the house to reduce the members freedom of speech, I must take exception to some of his statements.

I appreciate that some members of the Liberal opposition would profit enormously by keeping their seats during the debates of this house, particularly so when 95 per cent of them have nothing to say about the business submitted to us.

Mr. Speaker: I should have reminded the house before this of what I said a moment ago about partisan considerations.

It now being six o'clock, the hour appointed for consideration of private members' business is expired and the house shall revert to the business interrupted at five o'clock.

(Text):

Mr. Pickersgill: If I may be permitted, respectfully, Mr. Speaker, to raise a question of privilege for just one moment, I suggest that the idea that any debate in this house should be non-partisan is foreign to our whole parliamentary system.

Mr. Speaker: I fail to see that the question of privilege is a question of privilege. The hon. member is putting forward a point of view.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Mr. Speaker, I would think it would be a convenience to have in *Hansard* again the business for tomorrow and Friday. I have read what the hon. gentleman said last night and I would ask him if he could be quite specific—he seemed to be last night but I was not quite certain after reading his words —that there will be a supply motion on Monday.

Mr. Churchill: Tomorrow and Friday we will continue discussion of the estimates, the Department of Labour and the Post Office Department. If those are finished I will call a third. On Monday and Tuesday we will have a supply motion. I should say that starting on Monday we will have a supply motion because it does not have to run for the two full days, although that is quite normal.

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

HOUSE OF COMMONS

Thursday, January 31, 1963

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

PRESS RELEASE ISSUED BY U.S. DEPARTMENT OF STATE

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, yesterday at 6.15 p.m. the department of state of the United States issued a statement to the press, in both Ottawa and Washington, on which I should like to comment.

That release was communicated to our ambassador in Washington and to our Department of External Affairs in Ottawa one half hour before it was handed to the press.

Some hon. Members: Shame.

Mr. Diefenbaker: I find it difficult to understand such an extraordinary procedure. I want to speak, as always, on matters affecting a great neighbour and friendly nations with restraint, but also with responsibility. Quite apart from the terms of the statement, this action by the department of state of the United States is unprecedented, and I weigh my words when I say that it constitutes an unwarranted intrusion in Canadian affairs.

Mr. Speaker, in the statement the views of the department of state are expressed as to what it considers measures which Canada ought to take in relation to NATO and NORAD defences. These are surely matters for decision by Canada. As I read the document which was issued, it bears a striking resemblance to the statements made here last Friday by the Leader of the Opposition (Mr. Pearson).

On Friday last I expressed the views of the Canadian government on these matters, and I am not going to enter into any argument regarding the questions of detail dealt therein, except to say that the government sees no need to modify the views then expressed. The government of Canada does not consider that open public pressures by way of press releases or otherwise are appropriate methods of exchanging views as between equal sovereign nations and allies. There are well recognized channels for the exchange of points of view between sovereign countries and allies even when these points of view differ, as they must; and I express my very great regret that the United States department of state did not see fit to follow the usual course in communicating its views. We have asked the Canadian ambassador to Washington to return to Ottawa in order to give us his first hand views regarding this matter.

Having said that, I want to emphasize this. The Canadian government will continue to work and strive for understanding and cooperation. It will, as always, honour its obligations. But it will not be pushed around or accept external domination or interference in the making of its decisions. Canada is determined to remain a firm ally, but that does not mean that she should be a satellite.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker—

An hon. Member: Go ahead, Yankee.

Mr. Pearson: Mr. Speaker, I will not demean myself in beginning by recognizing these insulting observations that have just been made from the other side of the chamber. It is what I have been accustomed to expect from some hon. gentleman opposite, so I will let the matter go at that.

However, I do not intend to overlook, before I reach the substance of what I have to say, the insinuation made by the Prime Minister in his statement, repeated by the Prime Minister in the house last Friday and repeated outside the house, to the effect that my statement on defence was worked out after consultation with the United States government and that the United States statement to which the Prime Minister referred bears a striking resemblance in some of its words to the statement I made last Friday. That statement coming from the Prime Minister of this country, Mr. Speaker, is unworthy of him.

Mr. Diefenbaker: It was not denied.

Mr. Pearson: It is a cheap and false insinuation. I hope that assertion will deal with that matter.

The Prime Minister has referred to a statement issued last evening by the department of state in Washington. Immediately on receiving that communique I myself said, in a statement made public, that it was surprising—and I repeat this—that the United States

government considered it necessary to issue any such statement about the speech of the Prime Minister and about the public statement on national defence of the Minister of National Defence. Questions of Canadian policy should be left entirely for discussion and decision to Canadians.

Mr. Churchill: You did not say that last night.

Mr. Pearson: The Prime Minister and his party have no monopoly of the determination of any party to stand up for Canada's rights in these matters against anybody. I suggest, however, that the rule also applies to Canadian governments and should be observed by them.

Having said that, may I add that it is important to be absolutely clear about what is involved in this matter. The statement made by the government of the United States, as indeed in large part the statement made by the Prime Minister of Canada last Friday and the clarification statement made by the Minister of National Defence subsequently—all these concern, Mr. Speaker, joint arrangements of the two countries for our common defence, joint arrangements entered into by this government for Canada.

The real issue for Canadians is, what are the facts and what is the truth? What is the truth about our defence policy in this common effort on this matter? The Canadian people and their representatives in parliament are entitled to learn the facts and to know the truth. On Saturday and again on Monday the Minister of National Defence, in a public statement of clarification, contradicted certain of the Prime Minister's statements.

Mr. Harkness: I did not.

Mr. McPhillips: That is what you say, but it is not true.

Mr. Pearson: Yesterday the United States government contradicted other statements, and I feel that it was inappropriate for them to have done so. But it is this parliament's right and this parliament's duty now to find out at once what the truth is. So let us get the truth. Let us find out what the facts are without any further shilly-shally or delay.

Mr. Diefenbaker: When are you going back for further instructions?

Mr. Pearson: Mr. Speaker, in the search for the facts and in the search for the truth let us remember Prime Minister Macmillan's words in the British parliament yesterday, when he said that the free nations are friends and allies and must remain friends and allies. Let us also remember that the real threat to Canada's security does not come from the United States but from communist imperialism, and unnecessary disputes among the western allies will weaken us all. There are at the moment enough differences in the free world today without adding one between Canada and the United States.

So, Mr. Speaker, any political leader in either country who for political, partisan purposes stirs up or enlarges any difference between the two countries—

Some hon. Members: Oh, oh.

Mr. Churchill: You are condemning yourself.

Mr. Pearson: —would be putting his party ahead of his country—

Mr. Diefenbaker: Are you speaking for yourself?

Mr. Pearson: —and would be putting the vain hope of immediate political advantage above the mutual interests in peace and prosperity which the two countries share.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, we have witnessed in the last few hours an unprecedented action by a friendly government, that of the United States of America, against this country, Canada, in a way that to me is blatant interference in Canadian affairs. As has already been stated publicly through the press, the action taken by the United States government is the most severe ever taken during peacetime toward Canada. It would seem to me that there could have been far more friendly and effective ways of expressing a statement which obviously, through our own indecision in Canada, we have goaded the United States into making.

We have been told that we are in conference with the United States concerning what should be the policy of our two governments concerning defensive nuclear armament. Surely this conference table could have been one means of expressing the thoughts of the United States government. Then there are the normal diplomatic channels. I am sure that I express the sentiments of the Canadian people from Newfoundland to Vancouver island when I say that we resent the action the United States has taken, not so much for what was said but for the way that government has seen fit to say it. I agree that the United States of America is our closest friend and our best customer. However, I agree also with our Prime Minister that we, as Canadians, will not be pushed around.

The Prime Minister has said he will not be pushed around in the making of decisions. I ask him again, what are those decisions? This is not a question that has been asked only by those who are members in this House of Commons. This is a question that is being asked by Canadians across the country. This is a question that the members of the press are asking as well. I should like to quote from an editorial that appeared in the Ottawa *Citizen* of last night.

Mr. Speaker: Order. Before the hon. gentleman gets too far may I remind him that this is not a debate. This is a comment upon a statement that was made. I realize the difficulty, but I would ask the co-operation of hon. members who have the right to speak now.

Mr. Thompson: I believe I have as much right to make a statement as anyone else here, and I am making that statement. I would say this, that there is general confusion in Canada as to what our position is. When we have a statement made by the Prime Minister, we have it defined in another way by the Minister of National Defence. We think we have a right to know what the actual decision of the government is in this matter. On the other hand I do not believe it is enough for the leader of the official opposition to stand up and merely try to justify himself by accusing the Prime Minister of making accusations against him. Certainly we ought to have a sense of responsibility in this matter so that we can make clear something which is not very difficult, because I do not think any of us are too far apart on it. Then we would not be forcing the United States into making statements which define our policy for us.

Now, Mr. Speaker, this is not the time for a debate in connection with this problem. I believe we would never have been in this particular situation if a little different action had been taken. Therefore, Mr. Speaker, it is my opinion that we ought to be moving immediately into a debate where we can have this matter fully clarified. Consequently I move—

Some hon. Members: Order.

Mr. Speaker: Order.

Mr. Thompson: —the adjournment of the house under standing order 26 for the purpose of discussing the matter of defence policy.

Mr. Speaker: Order. I would draw to the attention of the hon. gentleman the fact that the provisions of standing order 26 do not permit him at this time to move such a motion.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in the opinion of the members of the New Democratic party the statement issued yesterday by the United States state department constitutes an unwarranted and unprecedented interference in the internal affairs of Canada.

Some hon. Members: Hear, hear.

Mr. Douglas: It is unusual for a state department to issue a statement contradicting statements made in a house of commons by the prime minister of another country. It is even more unusual to have the release issued by the embassy here in Washington—

Some hon. Members: Oh, oh.

Mr. Douglas: —here in Ottawa. The statement which was released in Washington yesterday was one thing, but the release which was issued to the press, a copy of which I have in my hand, was issued here from the United States embassy in Washington—

Some hon. Members: Ottawa.

Mr. Douglas: —in Ottawa. Mr. Speaker, it seems to be increasingly difficult to differentiate between these two capitals at the present time. We in this party have very fundamental differences with the government on the questions of external affairs and defence policy, but we will not brook nor will any other group in Canada brook interference from the United States or from any other power in the discussion of our internal affairs.

Some hon. Members: Hear, hear.

Mr. Douglas: I think the government of the United States should know from this parliament that they are not dealing with Guatemala, where in 1954 the state department had a substantial hand in throwing out the Arbenz government; nor are they dealing with Cuba, where in 1961 they promoted, financed and mounted an invasion of that country which was an inexcusable interference in the affairs of another member of the organization of American states, an action, I may say, which was in my opinion taken for no other reason than to make the world safe for the United Fruit Company and the Standard Oil Company in order that the latter might continue their policies of commercial exploitation.

Some hon. Members: Shame.

Mr. Douglas: Mr. Speaker, there are two parts of this statement which was issued yesterday to which I think the house ought to have its attention drawn. The first is this:

> The provision of nuclear weapons to Canadian forces would not involve an expansion of independent nuclear capability, or an increase in the

"nuclear club". As in the case of other allies custody of U.S. nuclear weapons would remain with the U.S. joint control fully consistent with national sovereignty can be worked out to cover the use of such weapons by Canadian forces.

That is the end of the statement. I wish to point out first, Mr. Speaker, that this is not the view which the United States took when nuclear missiles, presumably under the control of the Soviet union, were stationed in Cuba. The United States quite properly took the position at that time that this was an extension of the nuclear club, and that it did alter the balance of nuclear power.

May I point out, second, that it is for the Canadian people, through their elected representatives, to decide whether or not the acquisition of nuclear arms will expand the nuclear club and increase the danger of nuclear war. We in this party contend that stopping the spread of nuclear arms is a prelude to securing a cessation of nuclear tests and to reaching a treaty on nuclear disarmament. This is a Canadian decision, which has to be taken by Canadians and any attempt by any outside government to dictate to Canadians what their policy should be regarding the acquisition of nuclear arms will be both resented and ignored.

The other sentence in this statement to which I should like to draw the attention of the house is this:

A flexible and balanced defence requires increased conventional forces, but conventional forces are not an alternative to effective NATO or NORAD defence arrangements using nuclear-capable weapons systems.

Our membership in NATO is not conditional upon our accepting nuclear weapons. That is shown by the fact that other members of the alliance have not accepted nuclear weapons. If the Canadian people want to decide, as we think they should decide, upon a non-nuclear role for Canada, that is a decision which they have a right to make without any advice or any attempted intimidation from outside.

Some hon. Members: Hear, hear.

Mr. Douglas: In conclusion, Mr. Speaker, I wish to say that the statement issued yesterday points up the need for a full discussion of this whole question. The Prime Minister in his remarks today said that the government sees no reason to change its statement. I should like to ask, which statement, the Prime Minister's or that of the Minister of National Defence?

Some hon. Members: Hear, hear.

Mr. Douglas: The statement issued yesterday simply points up the fact that we have had no clear cut statement of policy. Indeed, two statements of policy have been issued, one contradicting the other. Your Honour quite properly interrupted the hon. member for Red Deer (Mr. Thompson) to say that this subject could not be debated on motions. But the need for a debate is beyond argument. Mr. Speaker, I therefore propose, at the proper point in the proceedings, to move under standing order 26—

Some hon. Members: Order.

Mr. Speaker: Order. I do not think one can anticipate, when commenting upon a statement at this time, the action that may be taken in the future.

Mr. Douglas: Mr. Speaker, I am simply saying that I think there ought to be a debate, and I certainly, if no one else does—

Some hon. Members: Oh, oh.

Mr. Douglas: —will move to provide an opportunity for such a debate.

Some hon. Members: Order.

Mr. Speaker: Order. The hon. gentleman has indicated what he proposes to do, but it is still quite improper at this time when commenting upon a statement.

Mr. Douglas: I would say, Mr. Speaker, before I resume my seat, that it seems to me completely inadequate to deal with a matter of this vital importance by having a brief statement made under motions without giving this house and the country an opportunity to fully clarify what is the government's position, in order that we may know what Canada is going to do in the near future with reference to the acquisition of nuclear arms for Canada.

U.S. STATE DEPARTMENT PRESS RELEASE— MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I ask leave to move adjournment of the house under standing order 26 for the purpose of discussing a definite matter of urgent and public importance, namely the statement made last night by the United States department of state contradicting recent statements of the Prime Minister and the Minister of National Defence concerning the joint defence arrangements of the Canadian and United States governments.

Mr. Speaker: I will be interested to hear remarks about the urgency of debate.

Mr. R. J. McCleave (Halifax): I wish to make four points, Mr. Speaker, any one of which might be considered fatal to the motion to adjourn the regular business of the house as proposed by the Leader of the Opposition. First of all I think we should be setting a dangerous precedent for ourselves if we were

to allow every unfavourable press release by a foreign power to precipitate us into debate while we are running the affairs of our own country. It does not take much imagination to foresee that if we postpone our regular business at this time for such a reason, as suggested by the Leader of the Opposition, other countries might be quick to use this as a tool against us.

The second point I wish to make has to do with citation No. 100 to be found on page 90 of Beauchesne. Paragraph 3 of that citation states that urgency within rule 26 does not apply to the subject matter itself but means urgency of debate when the ordinary opportunities provided by the rules of the house do not permit the subject to be brought on early enough and public interest demands that a discussion take place immediately. I submit, without argument as to the urgency of this subject matter, that there is not the urgency of debate required within the framework of Beauchesne's interpretation of the rules and practice of the house.

The third point I wish to make again relates to Beauchesne, and the point is whether the public interest would suffer if this matter were not discussed at once. As Dr. Beauchesne has written in citation 100, paragraph 2:

> The "definite matter of urgent public importance", for the discussion of which the adjournment of the house may be moved under standing order 26, must be so pressing that public interest will suffer if it is not given immediate attention.

We have heard the statement from the Prime Minister that the Canadian ambassador will shortly be in Ottawa to report on this matter, and I submit it would be more in the public interest to defer debate until the government had received the benefit of such briefing.

The fourth and final point I wish to make —and I think it will be equally effective in disposing of this matter—concerns the rules of this house, in particular standing order 26 paragraph 6(c) which states:

> The motion must not revive discussion on a matter which has been discussed in the same session.

I submit to you, sir, that the burden, the substance of what we have been dealing with today has been dealt with already in the debate which took place in this house on Thursday and Friday.

For these reasons I submit this is not a motion you should rule in order.

Mr. Pearson: I think the hon. member for Halifax should be congratulated on having done his best on behalf of the government side to avoid a discussion of this matter in the terms in which the motion is being put forward. I am afraid, however, he does not find himself, in so far as his main argument is concerned, in harmony with the leader of the house or with the Prime Minister.

The Prime Minister has considered this statement by the United States government to be of such an unprecedented character that he felt it necessary to bring it up at once in the House of Commons under motions. The Prime Minister himself admits this is a matter of unprecedented urgency, and if that is the case surely we should be permitted—indeed, it is our duty—to discuss a matter of such unprecedented urgency at once in this chamber.

There is one alternative procedure which, if the government saw fit to adopt it, might justify the withdrawal of this motion. If the leader of the house would inform us that at once, when we finish the orders of the day, we would consider the estimates of the Department of External Affairs, which are already before the house, that would also provide a good opportunity to discuss this whole business.

Therefore, Mr. Speaker, if you should decide, as I hope you will not, on some technical ground that this motion is inadmissible, I hope the government will not run away from the discussion, because they have the opportunity of bringing on the estimates of the Department of External Affairs this afternoon which would provide an ample basis for such a discussion as I am proposing.

Mr. H. A. Olson (Medicine Hat): To assist you, Mr. Speaker, in reaching a decision as to whether this is urgent I wish to submit that we have had several interpretations of what the defence policy of this country is supposed to be, even since the debate we had on defence policy last week end. Because of this situation I think it is urgent that the members of this house and the country generally should have a clearcut statement of policy from the government. The urgency of the matter involves clearing up this confusion. Delay involves placing the friendship of this country with one of our great neighbours in jeopardy. Therefore I think the urgency of debate is unquestionable.

I should like to say that members of this party do not agree in its entirety with the motion which has been put forward; in other words, that the department of state has contradicted recent statements of the Prime Minister and the Minister of National Defence. We do not read that out of the release. However, we do feel it urgent that this matter of defence policy should be cleared up.

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Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it must surely be clear that if in recent years there has been a subject concerning which there was urgency of debate, this is it.

I thank the hon. member for Halifax for drawing attention to the key sentences, in Beauchesne as far as motions of this kind are concerned. He is perfectly right in saying there must be urgency of debate. I thank him also for reading the sentence which says that the issue must be so pressing that the public interest would suffer if it were not given immediate attention.

Aside from the views expressed by the hon. member for Halifax we find, on the question of urgency, almost unanimous support from the floor of the house. The Prime Minister found it a matter of such urgency, as the Leader of the Opposition noted, that he rose to speak on the matter immediately motions were called. The Leader of the Opposition came into this house with a motion ready under standing order 26. The hon. member for Red Deer tried to move one as well, and my own leader indicated he had one ready. This means that in all four corners of this house it has been recognized that this matter is one of urgency in terms of having a debate today.

I also suggest, Mr. Speaker, that there is real point to the words quoted by the hon. member for Halifax, which I read a moment ago, that the issue must be so pressing that the public interest would suffer if it is not given immediate attention. I submit that is precisely the case. I submit that unless this statement which was issued at a quarter after six last night by the United States department of state is discussed in this House of Commons, unless we in this House of Commons make our views known, and unless we get a clarification of the position of the government with regard to this whole matter, the Canadian public interest will suffer on all counts. I submit, Mr. Speaker, that although you were acting as you should in inviting comments on this question rather than ruling immediately, the burden of the argument is crystal clear, that this is a matter which comes under the designation of urgency of debate.

One of the arguments advanced by the hon. member for Halifax is, I confess, so weak that one should hardly mention it, but he put it forward. He cited the section of standing order 26 which says that one cannot move under that standing order to debate something which has been discussed previously in this session. This house adjourned at six o'clock yesterday. The press release which has given this country such great concern was issued at a quarter after six last night, so there could not have been any discussion of this matter prior to this occasion. Therefore I suggest that that part of the hon. member's argument should not have been made at all.

Like the hon. member for Medicine Hat I must say that had my leader been able to put forward a motion under standing order 26 there might have been a slightly different turn put on the matter, and if he gets the chance to speak he will so indicate. But what is before us is not any particular implication in the motion of the Leader of the Opposition. What is before us is a request that this house adjourn all its other business to discuss this most urgent and most important matter, the determination of which I suggest should be discussed by this house.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, one point was raised by the hon. member for Halifax to which I would like to draw particular attention. He said that under motions we had already discussed this matter, and that it would be out of order to adjourn the house to debate the subject further.

Mr. McCleave: No, I said there was a debate last week.

Mr. Knowles: He said there was debate last Thursday and Friday.

Mr. Douglas: Well, I simply wanted to point out that under motions all we had discussed was the propriety of a statement made by a department of another government. What this motion calls for is a discussion of the joint defence arrangements between Canada and the United States government. Surely the people of Canada are vitally concerned in this matter. There has been no opportunity to discuss it, because the press release was issued yesterday and the debate on external affairs was held last Thursday and Friday. I submit that all the discussion this afternoon on motions simply points up the fact that this house and the country are clamouring to know what those defence arrangements are between the two countries, what commitments have been made by this government, and what the government's policy is with respect to this matter.

Mr. McCleave: Mr. Speaker, may I clear up some confusion as to one of the points I made, which the last speaker dealt with wrongly at first and then I think was seized of the true facts and did admit that there was a debate in this house last week on United States-Canadian joint negotiations.

Mr. Speaker: I do not think we need belabour the point. It was cleared up.

Mr. McCleave: But my point is that surely this is the whole purport of the motion of

the Leader of the Opposition, which refers to the U.S.-Canadian joint defence arrangements. I am saying that the major part of the debate has already taken place in this house.

Mr. Douglas: If the hon. member will look at the motion, it is to discuss the statement made last night by the United States department of state. We certainly did not debate that last Thursday and Friday. This is a matter of immediate interest.

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, on occasions when you are faced with decisions dealing with motions of this nature you have to take into account a number of factors, the chief one, of course, being urgency of debate. On a great many occasions the subject that is introduced is a matter of very great interest. But then your habit has been to examine the procedure of the house to see whether or not the business set for the day in question should be put aside, as it would have to be put aside to provide for debate if no other opportunity was evident in the near future. Time after time successive Speakers have considered matters of this sort, and if they have been informed or have seen that opportunities for debate would arise in the near future they have not accepted the motion.

In this instance, despite the active interest displayed in this particular matter, there will be opportunities for complete debate on the subject if so desired by the house, and at much greater length than would be the case today, if the general order of business is followed. I announced in the house last night that today and tomorrow we would be discussing estimates; and these are very important estimates, the Department of Labour, Post Office Department, and others. There has been a great demand for discussion of the estimates put forward time and time again by members of the opposition. Now we are being asked to set aside an urgent matter of importance to the Canadian people, namely the spending program of the Canadian government. We are asked to put that aside in favour of entering upon a debate based on a statement made by a foreign country.

In the order of business that I announced yesterday there was a supply motion for Monday and Tuesday. That provides a two day debate on a subject selected by the opposition and leads to a conclusion, because votes are called at the end of supply motions. The debate today would not be a conclusive debate, because it would end when the automatic adjournment of the house occurs.

Mr. Speaker, basing myself on citation 100(3) on page 90 of Beauchesne's Parliamentary Rules and Forms, fourth edition, which states that—

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"Urgency" within this rule does not apply to the matter itself, but it means "urgency of debate", when the ordinary opportunity provided by the rules of the house do not permit the subject to be brought on early enough—

—I suggest that the subject would be brought on early enough, all factors being considered, on Monday and Tuesday.

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to say a word on the question of urgency. In this connection I should like to recall to Your Honour what Mr. Speaker Michener had to say regarding a motion for adjournment under standing order 26, which had been put forward by the hon. member for Gloucester (Mr. Robichaud) on February 18, 1959, as reported on page 1133 of *Hansard*. Mr. Speaker Michener said:

The question that concerns me is whether there will be an opportunity to discuss this important matter, such that we do not need to interrupt the proceedings to deal with it today, or whether there has already been ample opportunity this session.

It seems to me this is one of the essential considerations which Your Honour will wish to bear in mind. From the nod of Your Honour's head, I gather that you concur in this observation. As the hon. member for Burnaby-Coquitlam (Mr. Douglas) has pointed out, this question arose only as the result of a statement issued by the United States state department last night at 6.15 p.m. Hence one aspect of Mr. Speaker Michener's concern is covered by the facts of the situation which now engage our attention.

The fact that this is a matter of urgency is, in my opinion, reflected in the very character of the circumstances which brought the Prime Minister to his feet when Your Honour called motions. In his own words is to be found the justification for our plea of urgency. The Prime Minister said in substance that never before in the relations between the two countries had there been so unwarranted an intervention by the United States in the affairs of this country. That statement in itself, in the light of the situation that confronts us in the world, surely should constitute evidence of the urgency of the matter. Do we need any further evidence? In the statement of the Prime Minister we have evidence that so urgent is this matter, that the government has given instructions to our ambassador in Washington to return to Canada at once for consultation with the government at home. Can there be anything which reflects more seriously than does that action the urgency of this situation?

I suggest to you, Mr. Speaker, that if you were to determine that there was no urgency

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in this situation in effect you would be denying the implications of the statement made by the Prime Minister with regard to the intervention or the implications of that intervention, supported by everyone who spoke for the political parties in this house today and for the people of Canada. This matter is so urgent that unless an opportunity is given to ascertain the facts there will go on for days controversy and difference of opinion between two friendly nations which will create a situation conceivably even more difficult than that which attends us at this moment.

I submit to you with confidence, Mr. Speaker, that for these reasons and for the reasons contained in the speeches of the Prime Minister and the Leader of the Opposition, this is a more urgent matter than any we have had in this house for many years.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I only wish to urge the government to agree to the suggestion made to consider that matter. Since the public could have been misled and confused following the debates of last Thursday and Friday, I feel that this is a matter of public importance.

On the other hand, I do not see why the government would deny the house such a debate, since the statement on which a special debate is proposed goes exactly to prove that the leader of the Liberal opposition (Mr. Pearson) was mistaken or that he misled the people when he made his statements.

Therefore, I believe that the government should allow the house to consider the matter which the hon. members seem to want to discuss today.

(Text):

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I am sure Your Honour will wish to listen to all the points that can be brought forward at this time in order that you make a decision having regard to what Your Honour has heard with reference to this motion to adjourn the house. I am prompted to rise particularly for one reason, namely that which was raised by my hon. friend the house leader, when he led us to believe that because of certain business of the house announced prior to this time, there would be an opportunity to discuss this matter at a later date. In fact, to use his own words, he said that it would not be opportune to put aside the spending program of the government.

My reply to that statement—and I am sure that of most of us who sit on this side of the house—can be none other than that the government was lax in not bringing that spending program before the house long before this time. In fact the government has had many opportunities to do so, beginning with this week when it called the bill dealing with the national economic development board, whereas it could have discussed the spending program. It was then made quite clear that that is not the reason.

However, there is another important reason. Over and above the fact that there seems to be unanimity in this house with regard to urgency of debate—and surely there should be unanimity on a matter of this nature arising out of the statement by the United States state department last night concerning the terms of our alliance and contradicting the statement made by the Prime Minister—it strikes me that not only the members of the government but the Prime Minister himself should be the first to rise and say, not that this matter is of such unprecedented importance that I shall make a statement on motions, but that the house shall immediately be free to debate this matter of utmost importance.

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, may I say a word on this matter?

Mr. Speaker: On urgency?

Mr. Nugent: Yes, on urgency. It seems to me that the only change in position since we finished our debate on Friday last is not in the relations between Canada and the United States or in the international situation, but only in the fact that there has been a news release from the United States. I suggest that when this house has so recently had an opportunity to debate the subject matter of that news release it is hard to understand how anyone, much less one occupying the responsible position of Leader of the Opposition, should be so greatly alarmed by a mere news release, and that this should be taken as such an urgent matter of public importance that we have to put aside our business in order to take up consideration of it.

Mr. Speaker: I wish to thank all hon. members who have assisted me at arriving at a decision in this regard. The motion of the Leader of the Opposition refers to a statement which was released yesterday contradicting certain statements of the Prime Minister and the Minister of National Defence concerning certain joint defence arrangements of the Canadian and the United States governments.

I think everyone agrees that this matter is one of great importance. Hence the question to be decided is whether or not we should

spend some time in discussing such a matter. The question that concerns me is that of urgency of debate at this time.

As I have indicated, and as have my predecessors on many occasions, rule 26 is a very extraordinary remedy. There are ample references to it on precisely the key point, namely the urgency of debate. If, as seemed to be indicated by certain hon. members, the question was that of the acquisition of nuclear weapons, then I would immediately say no, as that matter was debated last week. So on that ground the proposition, as it affects the country as a whole, would fall to the ground.

As to the question of urgency of debate by reason of the fact that this was the first item on motions, we have motions called five days a week, and I fail to see how in many instances there can be differences as to the timing or as to what person puts forward a matter when the Speaker calls motions.

There is another point urged with regard to urgency of debate, and that is the necessity of ascertaining the facts. On the basis that this statement was issued at 6.15 p.m. yesterday, and as hon. members are here, I find some difficulty in seeing how a general debate in this connection could ascertain more facts than have been disclosed at the present time. In combination with something else I feel that if the purpose is to ascertain the facts today, this is not necessarily the most appropriate time.

It has been indicated by the hon. member for Essex East in citing a ruling of my predecessor that there should have been a recent opportunity in the past to discuss the matter, and I agree with him that in so far as the narrow confines of this statement are concerned there was not that opportunity. But there will certainly be an opportunity in the relatively near future. This is not a new indication this afternoon but something that was indicated yesterday and even the day before. It has been announced that the business for next Monday will be a supply motion. This provides for a two day debate if required and also provides for some form of conclusion if such shall be the case, whereas the adjournment of the business today would merely result in the discussion of this matter without any conclusion.

Notwithstanding the fact that there is a great deal of interest in these matters, I still find on these grounds that such a motion does not meet the requirements in so far as urgency of debate is concerned. Therefore I would not accept the motion.

Mr. Pearson: Mr. Speaker, with great respect and with regret I should like to appeal your decision.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. In this regard I would cite *Hansard*, volume 1 of 1960, page 1153, where Mr. Speaker Michener, in referring to a previous decision by Mr. Speaker Beaudoin in 1955, said:

> I refer the hon. member to the *Journals* of the House of Commons for 1955, page 858, where the same point was dealt with by the Speaker of the day, who said:
>
> "In the future, whenever I make a ruling to the effect that the motion should not be accepted because it is not in order or is not of urgent public importance—that is, that there is no urgency of debate—I will not grant an appeal from my decision that there is no appeal."

On this point I say that there is no appeal from a Speaker's ruling. In so far as urgency of debate and acceptance of the motion are concerned, it has been traditional that there has been no appeal from the decision of the Speaker, and in support of that I am citing the decision of my predecessor which on that occasion was accepted by the house. Therefore I am ruling in the same way.

Mr. Martin (Essex East): Mr. Speaker, it is with regret that I appeal against your ruling that there is no appeal. I am so anxious that Your Honour should listen to the citation I have that I have allowed this discussion to take place between the Clerk and the Speaker, and quite properly. Your Honour has referred to a citation. May I refer to one that has the strength of long recognition because of the circumstances in which it was taken. I refer Your Honour to page 90 of Beauchesne, fourth edition, paragraph 7:

> The house affirmed, on the 19th of February, 1932, that there is no appeal from the Speaker's decision, that a motion, to adjourn the house for discussing an urgent matter of public importance, cannot be made unless the member's statement shows that there is actual urgency for debate. The Speaker decided that his decision on this particular point was final. Mr. Ralston appealed from the "Speaker's refusal to permit an appeal from his decision." The Speaker was sustained—

The right of Mr. Ralston to appeal against the ruling that there is no appeal was sustained, and that is the appeal that I now make. In making it may I point out to Your Honour, with respect, that in the following paragraph a way is opened in doubtful cases.

> In doubtful cases, the question of urgency and of importance are left for the house to decide, by giving or withholding its support.

Because of the seriousness of this situation I appeal against your ruling that there is no appeal.

Mr. Speaker: I find—

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, on a point of order—

Mr. Speaker: If it is on a point of order, although the appeal, of course, is without debate—

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Mr. Fulton: Is what?

Mr. Speaker: Without debate.

Mr. Fulton: I wish to speak on the point of order as to whether there can in fact be an appeal from your ruling. The hon. member for Essex East spoke on that point, contending that there is a right of appeal from your ruling that there can be no appeal from your ruling on this particular subject. That is just how complicated it is; and the absurdity of the proposition which the hon. member for Essex East wishes us to support is illustrated by the fact that the citation read by him establishes that the house itself confirmed the position that there is no appeal from the Speaker's ruling on this point.

Some hon. Members: Oh, oh.

Mr. Fulton: I know my hon. friends do not like it when the rules are properly applied if it does not happen to suit their convenience, but I recall at least one occasion, if not more, when that very point was made on this subject at the time we were in opposition on the other side, and the Speaker of that day pointed out that ordinarily he would be inclined to permit an appeal to the house from his ruling under this standing order, but inasmuch as the house on a previous occasion had upheld the position that there was no appeal, then that decision, he said, is final and binding.

This has become part of the rules of the house decided by the house as reported in this citation in Beauchesne. Unless we are to change the rules of the house, which can only be done by unanimous consent or by motion after notice, then I submit that rule is binding. It is a rule which the house has imposed upon itself, and it cannot be changed except by unanimous consent or by motion after notice which must be carried by a majority.

Mr. Knowles: Mr. Speaker, on this matter may I suggest first of all that the Minister of Public Works is in error when he says there is a rule on the point. There is no rule and no standing order on the point. But, Mr. Speaker, reference has been made by both the hon. member for Essex East and the Minister of Public Works to the ruling that Mr. Speaker Black made in 1932 to the effect that there was no appeal against his ruling that there was no appeal. The hon. member for Essex East has pointed out that the Speaker was sustained. The Minister of Public Works states that that settles the matter.

The fact of the matter is, Mr. Speaker, that later in the same year, on November 2, 1932, the same Mr. Speaker Black was in the chair and there was a motion to adjourn under the corresponding standing order. The motion was not allowed by the Speaker but there was an appeal directly against his decision that the motion was not in order and that appeal was put to a vote. Subsequently, on March 27 and on May 22, 1935, under Mr. Speaker Bowman, appeals were allowed without even going to this second stage.

Mr. Speaker, I have browsed enough in the procedures and practices of parliament to know that there are incidents since then when rulings have been given the other way. I suggest the rulings have been back and forth to such an extent that there is no clear decision by the parliament of Canada on this point. If the Minister of Public Works is going to rely on the stand taken by Mr. Speaker Black on February 19, 1932, I suggest he should look and see what Mr. Speaker Black did on November 2, 1932, some months later in the same year, when he allowed an appeal.

This is a new parliament, and we have our own problems to deal with. There is no clear precedent. There are precedents both ways. I submit that in effect you have ruled today—you, Mr. Speaker Lambert, have ruled —that there is no appeal against your ruling. It is your ruling that must be tested. I submit that the hon. member for Essex East has every right in this parliament to appeal against the ruling you have made today.

Mr. Speaker: I thank hon. members for what they have had to say in this regard. I think hon. members will appreciate the position in which I am. Based on the precedents of my predecessors I have full authority for the proposition I put forward. Further, on the basis of the appeal principle, an appeal regarding my decision, by advancing it one step further, it would eventually result in an appeal. The only thing I can do at the present time, since an appeal has been taken, is to put the question.

All those in favour of sustaining the Speaker's ruling that there is no appeal from his decision in regard to section 26 of the standing orders, will please say aye.

Some hon. Members: Aye.

Mr. Speaker: All those against the Speaker's decision in that regard will please say nay.

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

Mr. Speaker put the question as follows:

The question before the house is an appeal from the Speaker's ruling. The Leader of the Opposition moved the adjournment of the house under standing order 26 for the purpose of discussing a definite matter of urgent public importance, namely the statement made last night by the United States department of state contradicting the recent statements of the Prime Minister and the Minister of National Defence concerning the joint defence arrangements of the Canadian and United States governments.

The Chair ruled that this was not a matter of sufficient urgency of debate to be permitted under the terms of standing order 26, whereupon, the Leader of the Opposition appealed from the ruling of the Chair.

The Chair ruled there was no appeal from a ruling of the Chair in this regard and quoted from *Hansard*, volume 1, of 1960, page 1153, where Mr. Speaker Michener, in referring to a previous decision by Mr. Speaker Beaudoin in 1955 said:

"I refer the hon. member to the *Journals* of the House of Commons for 1955, page 858, where the same point was dealt with by the Speaker of the day, who said:

'In the future, whenever I make a ruling to the effect that the motion should not be accepted because it is not in order or is not of urgent public importance—that is, that there is no urgency of debate—I will not grant an appeal from my decision that there is no appeal.' "

The house divided on the question: Shall the Speaker's decision be sustained? And the decision of the Chair was not sustained on the following division:

Division

YEAS

Messrs:

Aiken
Alkenbrack
Balcer
Baldwin
Baskin
Bell (Carleton)
Bell (Saint John-Albert)
Belzile
Bigg
Bourbonnais
Bradley
Cadieu
Cardiff
Casselman, Mrs.
Chatterton
Chown
Churchill
Clancy
Coates
Cooper
Crouse
Diefenbaker
Dinsdale
Doucett
English
Enns
Fairclough, Mrs.
Fane
Fleming (Eglinton)
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Fulton
Grafftey
Green
Grills
Gundlock
Hales
Halpenny
Harkness
Hees
Hodgson
Horner (Acadia)
Horner (Jasper-Edson)
Horner (The Battlefords)
Howe
Jones
Jorgenson
Kennedy
Kindt
Korchinski
Macdonald, Mrs.
MacEwan
MacLean (Queens)
Macquarrie
MacRae
McBain
McCleave
McDonald (Hamilton South)
McGee
McGrath
McIntosh
McPhillips
Mandziuk
Martineau
Millar
Monteith
Moore
More
Morris
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nasserden
Nielsen
Nowlan
Nugent
O'Hurley
Ormiston
Paul
Phillips
Pigeon
Pugh
Rapp
Ricard
Rynard
Sams
Sevigny
Simpson
Skoreyko
Slogan
Smallwood
Smith (Calgary South)
Smith (Simcoe North)
Southam
Starr
Stefanson
Stenson
Thomas
Valade
Vincent
Webb
Weichel
Winkler
Woolliams—104.

NAYS

Messrs:

Addison
Argue
Asselin
Badanai
Barnett
Batten
Beaule
Bechard
Beer
Belanger
Benidickson
Benson
Berger
Bernier
Boucher
Boulanger
Boutin
Brewin
Brown
Burgess
Byrne
Cadieux
Cameron (High Park)
Cameron (Nanaimo-Cowichan-The Islands)
Caouette
Caron
Carter
Chapdelaine
Chevrier
Clermont
Clunis
Cook
Cote
Cowan
Crossman
Davis
Denis
Deschatelets
Dionne
Douglas
Drouin
Dube
Dupuis
Ethier
Eudes
Fisher
Foy
Frenette
Garland
Godin
Gordon
Granger
Gray
Gregoire
Habel
Haidasz
Hardie, Mrs.
Harley
Herridge
Honey
Howard
Knowles
Laing
LaMarsh, Miss
Lamoureux
Lamy
Langlois
Laniel
Laprise
Latulippe
Leboe
Leduc
Legare
Lessard (Lake St. John)
Lessard (St. Henry)
Lewis
Loiselle
Macdonald (Rosedale)
MacEachen
MacInnis
McIlraith
McMillan
McNulty
Maltais
Martin (Essex East)
Martin (Timmins)
Mather
Matheson
Matte
Munro
Nicholson
Nixon
Olson
Otto
Ouellet
Pearson
Pennell
Perron
Peters
Pickersgill
Pilon
Plourde
Richard
Rinfret
Robichaud
Rochon
Rock
Rondeau
Rouleau
Roxburgh
Roy

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Ryan	Tucker
Sauve	Wahn
Scott	Walker
Tardif	Webster
Teillet	Whelan—122.
Thompson	

Mr. Mitchell: Mr. Speaker, I was paired and did not vote. Had I voted I would have voted against your ruling.

Mr. Speaker: The decision of the Chair has not been sustained. There is now a further question, which is that the Leader of the Opposition (Mr. Pearson) appeals from the ruling that I made under standing order 26 that this matter is not one meeting the requirements of urgency of debate. Those in favour of sustaining the ruling of the Chair will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those against sustaining the ruling of the Chair will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it. The motion is that the house adjourn to discuss a definite matter of urgent public importance, namely the statement made last night by the United States department of state contradicting the recent statements of the Prime Minister (Mr. Diefenbaker) and the Minister of National Defence (Mr. Harkness) concerning the joint defence arrangements of the Canadian-United States governments. Has the hon. member the leave of the house?

Some hon. Members: Agreed.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I have moved this motion in order to discuss a matter which we in this party and in other opposition parties have considered to be a matter of the utmost urgency and importance, namely the statement made last evening by the department of state of the United States government. This statement among other things contradicted recent statements of the Prime Minister (Mr. Diefenbaker) and the Minister of National Defence (Mr. Harkness) concerning the joint arrangements of the Canadian and the United States governments.

Mr. Speaker, I am amazed that this motion would not have commended itself at once to the Prime Minister and the members of the government—

Mr. Diefenbaker: You have Monday and Tuesday.

Mr. Pearson: —in view of the statement made at the beginning of this sitting by the Prime Minister himself who considered the matter of unprecedented urgency and of unprecedented importance and constituting, in his view, a gross intervention in the affairs of Canada; as of such importance as to warrant the recall from Washington to report to the government of our ambassador in Washington.

An hon. Member: Why did you not want to vote on it?

Mr. Pearson: Mr. Speaker, I am asked why we did not want to vote on it. That is what we are trying to bring before this House of Commons and, in spite of the obstruction of the government, I hope we shall have a chance to vote on this matter.

As has already been pointed out, this motion brings up the whole question of joint arrangements for defence—the fact is that they are joint and indeed some of them are collective. They have been made between our two governments, namely the Canadian government and the United States government. It is of the greatest possible importance that these arrangements should now be discussed having regard to the statement issued in Washington by the state department last evening, the statement made by the Prime Minister in this house last Friday, and the clarification, to use his own word, of the statement of the Prime Minister by the Minister of National Defence without the knowledge of the Prime Minister. I think it is a matter of first importance—indeed I think it is essential—that, before this discussion concludes this evening, we have a statement on this matter from the Prime Minister of this country, from the Minister of National Defence who has not said a word on this issue, and also from the Associate Minister of National Defence (Mr. Sevigny) who presumably supports the statement of clarification made by his associate minister and who undoubtedly will wish to explain to the house why he supports it; and also by the Secretary of State for External Affairs, (Mr. Green) as this has now become a matter of high policy between our two governments in the realm of foreign affairs.

I wish to keep my remarks short so that I will give the four hon. gentlemen time in which to state their position in this house. I understand that, according to the rules, we have from now until ten o'clock for that purpose and that the ordinary hour for private members' business is dispensed with.

Mr. Diefenbaker: No.

An hon. Member: Why should it be dispensed with?

Mr. Pearson: I am not asking that it should be dispensed with. I understood that, in these circumstances, it automatically was dispensed with. If I am wrong about that matter, I should like to know it.

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Mr. Speaker: For the information of the Leader of the Opposition may I say that the standing order with respect to private members' business is not suspended by this motion for adjournment.

Mr. Pearson: Very well. We then have from eight o'clock until ten o'clock for spokesmen of the government to explain their position with regard to this statement and we shall have before long, I hope, occasions on which to continue the debate on this matter.

This statement of the state department of the United States was issued, in my view, inappropriately. It should never have been issued. I said that last evening, when I commented on it at once. Irrespective of the provocation—and there was provocation—it was wrong of the state department of the United States or the foreign office of any government, however friendly, to issue a statement of this kind commenting on—and by commenting on in this way, intervening in—a matter which is before the House of Commons of this country. In my view the only situation which would justify this course at all would be if the state department had already protested by formal note to the Canadian government certain observations made by the Canadian Prime Minister last Friday. If no attention was paid to that note, then perhaps it could be said that they had the right to make their position public. No doubt in the course of this discussion the Prime Minister or a spokesman for the government will tell us whether any note on this matter has been received by the Canadian embassy in Washington or from the United States embassy in Ottawa dealing with this matter, or whether any oral representations were made in this matter.

This United States statement, because it is a foundation for the discussion, I think should be put on the record. I propose to do that and then to enable the spokesmen for the government to reply. The text of the statement is as follows, and I commend the first paragraph of this statement to the house:

The department—

—that is the department of state—

—has received a number of inquiries concerning the disclosure during a recent debate in the Canadian House of Commons regarding negotiations over the past two or three months between the United States and Canadian governments relating to nuclear weapons for Canadian armed forces.

In the first place, Mr. Speaker, it should be emphasized that the department of state refers to disclosures made by the Prime Minister of this country in a recent debate in this house concerning negotiations or discussions which had been entered into between the two governments two or three months ago and about which we in this house knew nothing. These disclosures were made by the Prime Minister on a matter which affected the United States government as much as it affected the Canadian government.

Mr. Diefenbaker: Did you object?

Mr. Pearson: I will ask the Prime Minister when he speaks on this matter, or the Minister of National Defence to tell the house whether these disclosures in the House of Commons about these talks between the two governments on a matter of such importance, were made with the knowledge and approval of the other government concerned with the conversations.

Mr. Diefenbaker: I would ask the Leader of the Opposition this question. Did he object to having the information he asked for?

Mr. Pearson: One of the extraordinary things about this disclosure made by the Prime Minister is that it did not give us any information.

Some hon. Members: Oh, oh.

Mr. Pearson: And when we asked next day questions about the disclosure, even about who was carrying on the negotiations, the Prime Minister and the members of the government said these were improper questions. These discussions were news to the House of Commons. The last time we had heard in this house anything about discussions in this matter was from the Prime Minister two years ago when he told us that they were finished. Apparently they were begun again, no doubt between the representatives of the two governments. We do not know who they were. We do not know what departments are carrying them on. However, we know they were confidential negotiations and we know they were referred to in this house by the Prime Minister. However, we do not know whether he made those disclosures about those negotiations after having informed the government of the United States that he was going to do so. I ask him if he even gave them half an hour's notice.

Mr. Diefenbaker: Did the Leader of the Opposition object? He will not answer that question.

Mr. Pearson: I ask the Prime Minister, in case he did not catch my question, will he tell the house when he speaks whether he gave the United States government any advance notice, even half an hour's notice, that he was going to bring out in this house that confidential discussions were going on? Did he give the government of the United States any notice about this or did he just come into the House of Commons and mention

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these matters to the surprise, no doubt, of the other party to the negotiations, which happened in this case to be the government of the United States?

Mr. Diefenbaker: May I ask the hon. gentleman where he gets the idea that they are confidential? Did he get that when he was down in Washington or New York?

Some hon. Members: Shame.

Mr. Pearson: Mr. Speaker, I have not been in Washington for many months.

Mr. Diefenbaker: No, New York.

Mr. Pearson: There have been a good many visits to Washington, since my last visit, by members of the government, who must know much more about these matters than I do. The Prime Minister went to Nassau a little while ago where he had luncheon with the President of the United States. No doubt he talked with the President of the United States about these matters on that occasion. May I ask him whether he discussed with the President of the United States the propriety of bringing these matters into the House of Commons and giving the United States government notice that he was going to do so? I am sure that in this luncheon conversation between the President of the United States and the Prime Minister they went over the whole question of Canadian-American relations.

With respect to these negotiations about which we heard for the first time last Friday, having been told two years ago by the Prime Minister that discussions on this matter had ceased, there is a paragraph in the United States communique which should be put on the record because it bears on the origin of these conversations, these discussions, these negotiations, which were first made public by the Prime Minister of this country without any consultation with the government of the United States. I read from the United States communique:

Shortly after the Cuban crisis in October 1962—

Shortly after the Cuban crisis.

—the Canadian government proposed confidential discussions—

The initiative for these confidential discussions came not from the United States but from the Canadian government. The proposal was made by the Canadian government for such conversations, for such discussions. Surely that makes it all the more important that if disclosure of these confidential negotiations was to be made by the Prime Minister in a debate in the House of Commons it would have been done with the knowledge and approval of the other party to the negotiations. I know the Prime Minister is a stickler for the proprieties in these matters. I know how he feels when he does not get more than half an hour's notice. How does he think the United States government felt when it got no notice at all?

Shortly after the Cuban crisis in October 1962, the Canadian government proposed confidential discussions concerning circumstances under which there might be provision of nuclear weapons for Canadian armed forces in Canada and Europe.

This was the proposal made by the Canadian government for conversations with the United States government. The communique goes on:

These discussions have been exploratory in nature; the Canadian government has not as yet proposed any arrangement sufficiently practical to contribute effectively to North American defence.

So much for the negotiations about which we have been unable up to the present to secure any information in this house, although the Prime Minister himself in the debate last Friday, and the Minister of National Defence, did tell us they were going on. Perhaps we will hear this evening from the Secretary of State for External Affairs (Mr. Green) at least what department of the Canadian government is carrying on these confidential negotiations, what progress is being made, if any, and why it is that the Canadian government, having proposed them for the purpose set out in this paragraph, has not been able to put forward any practical suggestion which might contribute effectively to the joint defence? The communique also has this to say:

In 1958 the Canadian government decided to adopt the Bomarc-B weapons systems. Accordingly two Bomarc-B squadrons were deployed to Canada—

At the expense, incidentally, of the United States government.

—where they would serve the double purpose of protecting Montreal and Toronto as well as the U.S. deterrent force. The Bomarc-B was not designed to carry any conventional warhead.

Of course, we all knew that.

The matter of making available a nuclear warhead for it and for other nuclear capable weapons systems acquired by Canada has been the subject of inconclusive discussions between the two governments. The installation of the two Bomarc-B batteries in Canada without nuclear warheads was completed in 1962.

That confirms what we on this side felt to be the case, that by the end of 1962 the point of no return had been reached in so far as these two Bomarc squadrons were concerned in regard to keeping them there without any warheads or giving them the warheads without which they would be completely useless. Then the communique goes on:

In addition to the Bomarc-B, a similar problem exists with respect to the modern supersonic jet interceptor—

I believe that is the CF-101.

—with which the R.C.A.F. has been provided. Without nuclear air defence warheads, they operate at far less than their full potential effectiveness.

One of the statements made by the Prime Minister in the debate last Friday which must have caused some confusion in the mind of the Minister of National Defence and, indeed, of the other party to our defence arrangements, the United States government, was a statement made by the Prime Minister who has stated more than once in the discussions we have had on this matter in the house that there is no contradiction between anything he said last Friday and the clarifying statement issued by the Minister of National Defence. No contradiction, the Prime Minister has told us. But the Prime Minister said last Friday, as found on page 3133 of *Hansard*, that these aircraft, the CF-101 that is referred to in the paragraph in the communique which I read, "title to which will be vested in Canada, will be armed with conventional weapons".

But if you look at the statement by the Minister of National Defence, which no doubt he will clarify further in the course of this discussion, you will find that he says:

So far as NORAD is concerned, Canada has been negotiating with the United States for the past two to three months in order that nuclear warheads will be made available for our two squadrons of Bomarcs and our F-101 interceptors.

That is only one contradiction between the policy as laid down by the Prime Minister and the policy on defence as clarified by the Minister of National Defence, so perhaps in addition to dealing with the statement from Washington the two hon. gentlemen concerned will reconcile their own clarifications, with assistance from the Associate Minister of National Defence (Mr. Sevigny). Then the communique goes on to say:

The discussions between the two governments have also involved possible arrangements for the provision of nuclear weapons for Canadian NATO forces in Europe—

That is a straightforward statement.

The discussions between the two governments have also involved possible arrangements for the provision of nuclear weapons for Canadian NATO forces in Europe, similar to the arrangements which the United States has made with many of our NATO allies.

We will expect the Prime Minister or the Minister of National Defence or both to clarify that statement in the light of its relation to statements made by the Prime Minister in the house last Friday. I continue with the communique:

During the debate in the House of Commons various references were made to recent discussions at Nassau.

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Now, the Prime Minister (Mr. Diefenbaker) made a great play on the fact that the conference at Nassau between the United States president and the United Kingdom prime minister had a very direct and definite bearing on Canadian defence policy in NATO and perhaps even, so far as I know, in NORAD.

Mr. Diefenbaker: And all the nations of NATO.

Mr. Pearson: If that happens to be the case, and of course it is not the situation, why is it that the Prime Minister then would make a statement of that kind, which would certainly be a great surprise to the other members of NATO who were not at the conference, and which is not borne out by anything in the Nassau communique from the United Kingdom and the United States. Either the Prime Minister had some secret information which he is disclosing to this house and which the other NATO governments know nothing about, or he is basing his statement on a communique that does not support it.

After all, the United States was a party to this conference and presumably the United States government knows more about the implications of the Nassau agreement between President Kennedy and Prime Minister Macmillan than the Prime Minister of Canada could hope to know, because he did not take part in these discussions. He had lunch with the two leaders but, regrettably, he did not take part in the discussions. Therefore, Mr. Speaker, this paragraph on Nassau has very special significance. It reads:

During the debate in the House of Commons various references were made to recent discussions at Nassau. The agreements made at Nassau have been fully published.

Apparently there are no secret agreements; they have been fully published.

They raise no question of the appropriateness of nuclear weapons for Canadian forces in fulfilling their NATO or NORAD obligations.

The Prime Minister told us that this statement made by one party to these discussions at Nassau is inaccurate. Does he continue to insist on the validity of his own argument that the Nassau communique and the Nassau conversations did have that effect which the United States government says in its communique they did not have?

Then, Mr. Speaker, the second last paragraph of this United States communique reads:

Reference was also made in the debate to the need of NATO for increased conventional forces. A flexible and balanced defence requires increased conventional forces,—

We on this side have said this more than once both in and out of the house.

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—but conventional forces are not an alternative to effective NATO or NORAD defence arrangements using nuclear-capable weapons systems.

Perhaps the Prime Minister or the Minister of National Defence (Mr. Harkness) or both hon. gentlemen could comment on the authority for that particular statement. The United States statement continues:

NORAD is designed to defend the North American continent against air attack. The Soviet bomber fleet will remain at least throughout this decade a significant element in the Soviet strike force. An effective continental defence against this common threat is necessary.

Then, the last paragraph reads:

The provision of nuclear weapons to Canadian forces would not involve an expansion of independent nuclear capability, or an increase in the "nuclear club". As in the case of other allies custody of U.S. nuclear weapons would remain with the U.S. joint control fully consistent with national sovereignty can be worked out to cover the use of such weapons by Canadian forces.

Well, Mr. Speaker, this communique is extremely interesting, regardless of the impropriety of issuing it at all, and I claim it was improper to issue it. This is extremely interesting because of the light it throws on the confusions and contradictions of Canadian defence policy. Anyone who has listened to the Prime Minister's statement, to the Minister of National Defence's clarification, to the Secretary of State for External Affairs' (Mr. Green) statements, can understand how confusion can be caused in these matters by these contradictory statements.

May I just refer to one such contradiction? In the statement made by the Prime Minister last Friday, as recorded on page 3127 of *Hansard*.

—we will act to do those things that will carry out our responsibilities.

I think no one will take any exception to that statement. Then he went on to say, in respect of responsibilities.

We will do nothing to extend the nuclear family.

But having made that statement, on page 3128, the following page, he added this:

—those forces—

He was talking about some of the Canadian forces with NORAD and NATO.

—would have to be equipped, in order to be fully effective, with defensive nuclear weapons if and when the need arose.

The Prime Minister will do nothing to extend the nuclear family but he has accepted, on behalf of the government of Canada, equipment which cannot be effective without nuclear warheads and he is willing to accept those nuclear warheads if and when the need arises.

The Minister of National Defence is a little more specific on this matter. I refer to his statement, no doubt in clarification of the Prime Minister's statement that we will do nothing to extend the nuclear family, when he said:

—our obligations to equip certain weapons systems with nuclear arms are reiterated together with the determination to honour those obligations.

Take your pick, Mr. Speaker, the remarks of the Minister of National Defence or the remarks of the Prime Minister of Canada. How both of these hon. gentlemen can reconcile these contradictory remarks and maintain there is cabinet solidarity is difficult for anyone on this side of the house to understand. The Minister of National Defence brings it all to a conclusion in his clarifying statement when he says this:

Those paragraphs—

He is referring to certain paragraphs in the Prime Minister's speech.

—state a definite policy for the acquisition of nuclear arms.

Well, Mr. Speaker, surely I have said enough to underline the contradictions, the confusions that have been created by the Prime Minister, not by the United States government, in his statement of last Friday. Surely, I have said enough to indicate that if it was improper for the United States to issue this release, as it was, it was equally improper for the Prime Minister of this country to make public the fact that there were negotiations going on between the United States and this government without getting the approval of the other party to the negotiations, and without even informing them of the disclosure.

Mr. Speaker: It being five o'clock, the house will now proceed to private members' business which is on today's order paper.

Mr. Martin (Essex East): I rise on a point of order, Mr. Speaker. May I suggest that it would not be inappropriate for me, since there is a motion standing in my name, to request unanimous consent of the house, in view of the importance of this hour, to the suspension of private members' hour between five and six in order that we might continue with this debate?

Mr. Bell (Saint John-Albert): Before Christmas, when we were discussing this motion, we asked the hon. member for Essex East if he would agree to the suspension of this hour at a time when important business was being discussed. He said no in a very Scrooge-like manner. I, for one, would not agree to the suspension of this hour.

Some hon. Members: Shame.

Mr. Martin (Essex East): Closure.

Mr. Speaker: This requires unanimous consent. Is there unanimous consent to the proposal?

Some hon. Members: No.

Some hon. Members: Yes.

Mr. Speaker: I regret that there does not appear to be unanimous consent to the adjournment of private members' hour. Therefore, we will proceed with the notice of motion.

FINANCE

CORRESPONDENCE RESPECTING SURCHARGE ORDER IN COUNCIL

The house resumed from Thursday, December 20, 1962, consideration of the motion of Mr. Martin (Essex East):

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order, P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962, and the import control list as amended by P.C. 1962-903, dated June 24, 1962, with particular reference to the legality of such orders.

Mr. H. F. Jones (Parliamentary Secretary to the Minister of Veterans Affairs): Mr. Speaker, this debate has ranged over fairly wide ground, as hon. members who have been following it will recall, despite the admonitions of Your Honour to restrict it to the question as to whether or not the papers that are called for should be produced.

Mr. Speaker: Order. May I suggest that some of the little private conferences be held elsewhere, or in a lower tone of voice so that we may carry on with the business of the house.

Mr. Jones: Mr. Speaker, when this motion was introduced it was billed before the country as being a matter of the greatest urgency and importance that this question be decided. That has been the tenor and tone of the speeches of members of the official opposition. That position has not been borne out by their actions, however. The question we are being asked to decide today is whether, in the words of the motion, "an humble address should be presented to His Excellency," and the motion continues in these words:

—praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order, P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962, and the import control list as amended by P.C. 1962-903, dated June 24, 1962, with particular reference to the legality of such orders.

The mover, when putting this motion, stated what in his opinion was concerned therein. I quote from page 1425 of *Hansard* for November 9, 1962:

Mr. Speaker, my motion has to do with the production of the opinion of the law officers of the crown on the legality of the government's austerity program, and more particularly the legality of the surcharges on imports order in council.

That is to say, the production of those documents which have some bearing on that legality. That was the situation when this motion was originally introduced by the hon. member for Essex East (Mr. Martin).

Mr. Nicholson: Mr. Speaker, will the hon. member permit a question?

Mr. Jones: This debate has gone into—

Mr. Deputy Speaker: Order. The hon. member for Vancouver Centre (Mr. Nicholson) apparently has a question. I did not know whether the parliamentary secretary was willing to yield the floor.

Mr. Nicholson: Mr. Speaker, I would ask the parliamentary secretary if I heard him correctly when he referred to the government's austerity program.

Mr. Pickersgill: That is right; that is what he said.

Mr. Jones: I was quoting from the remarks of the hon. member for Essex East.

Mr. Fleming (Eglinton): He was wrong, as usual.

Mr. Jones: Mr. Speaker, this debate and the arguments which have been developed in it turn in two directions. One is really not germane to the debate at all and yet there has been a good deal of discussion on it. I refer to the question as to whether these surcharges are in fact legal. I shall later deal with that matter at some length, even though it may appear to be out of order. I shall do so for this reason, that much of the time of the house has been taken up in discussing that very point. I suggest it is really because of the lack of understanding of the point and why it is irrelevant to this debate that hon. members in certain parts of the house have in the past indicated that they would support this motion.

In order that we may deal with this situation comprehensively I should like to draw to the attention of hon. members that the

argument for having these documents produced, based on precedent, was completely demolished by my friend the hon. member for Simcoe North (Mr. Smith). He completely demolished the arguments of the hon. member for Essex East and the hon. member for Bonavista-Twillingate (Mr. Pickersgill). He made a very interesting analysis of the arguments that had been put forward up to that time, and the arguments advanced by the hon. member for Simcoe North have shown completely that there is no precedent worthy of consideration that supports this motion. I should like to refer hon. members to *Hansard* of November 22, starting at page 1912 and continuing through the remarks of the hon. member for Simcoe North, who made a brilliant speech. Perhaps the ability with which he presented his arguments and the validity of those arguments can be demonstrated by the fact that he was interrupted on no less than 17 occasions by members of the opposition and that on no less than seven occasions Your Honour had to restore order and intervene in the debate, in order to allow the hon. member to continue his remarks.

The arguments of the hon. member for Essex East which were demolished by those put forward by the hon. member for Simcoe North commence at the beginning of the second column of page 1912. He quotes them chapter and verse. I shall quote them in summary so that hon. members may understand that there is no substance at all in the arguments and there is no precedent for the production of these documents. The precedents cited originally by the hon. member for Essex East are as follows. He first referred to an opinion given by the minister of justice in 1935, which is referred to at page 1427 of the current *Hansard*. As reported on that page, the hon. member for Essex East said:

> Not only did he give without any prodding the opinion of the law officers of the crown but as well he volunteered opinions on the very point in issue which had been tendered by two eminent counsel, namely Mr. W. N. Tilley, K.C. and Mr. Aime Geoffrion, on the very point. Those opinions are now to be found in *Hansard* for 1935, volume III, at page 3166.

That is the end of the quotation from the remarks of the hon. member for Essex East. Then we have the observations and comment of the hon. member for Simcoe North clearly destroying that argument. He said, as reported at page 1912 of *Hansard*:

> Mr. Speaker, the opinion of the law officers of the crown on that occasion was not given.

That is the answer to that argument. Then he said:

> There was no request for it. All that was done was that Mr. Guthrie, as reported at page 3166 of volume III of *Hansard* for 1935 said:

> "The opinion of the law officers of the crown is that clause 5 presents some difficulties."

Then a little further on he said:

> "The opinions of counsel who I have named are summed up in the following statement by Mr. Tilley:"

The hon. member for Essex East had read Mr. Tilley's opinion, he being an independent counsel. This question was pursued in the house on that occasion by the hon. member for Simcoe North, who said:

> On that occasion, notwithstanding what was said by the hon. member for Bonavista-Twillingate and the hon. member for Essex East, the opinion of the law officers of the crown was not produced.

It was the same dispute. The hon. member for Bonavista-Twillingate (Mr. Pickersgill) said it was given in the house. My hon. friend from Simcoe North (Mr. Smith) said it was not. The reply given was: "You have just read it." To this the answer, naturally, was that only the substance had been given. That completely disposes of the argument of the hon. member for Essex East (Mr. Martin).

The second precedent the hon. member quoted appears at page 1427 of *Hansard* for 1962 as follows:

> ...we have as perhaps the most recent precedent in this house the action taken by Mr. St. Laurent when he was minister of justice. In May of 1942 the hon. member for Huron (Mr. Cardiff) and the present member for that constituency moved for a copy of all opinions rendered by the Department of Justice with reference to the power of the governor in council to conscript men for service in any theatre of war.

Subsequently Mr. St. Laurent tabled those opinions. The hon. member for Simcoe North effectively disposed of that argument when he referred hon. members to a motion which is to be found on page 2290 of *Hansard* for 1942. The motion is as follows:

> For a copy of all opinions rendered by the Department of Justice with reference to the power of the governor in council under the War Measures Act to conscript men for service in any theatre of war.

Mr. Cardiff had asked for a copy of all opinions rendered by the Department of Justice with respect to this matter, and Mr. St. Laurent replied:

> I have been advised by the departments of government concerned to say that they do not object to the production of the opinions mentioned in this motion, but it will be done without prejudice to the general rule—

Mr. Pickersgill: On a point of order, I think it is a rule of this house that hon. members must make their own speeches. This is a very short debate, and all the hon. member is doing is reading speeches which have already been made. I suggest this is contrary to the rules and that it is being done solely to prevent a vote.

Mr. Jones: May I say, on that point, that nothing could be farther from the truth than the statement made by the hon. member for Bonavista-Twillingate. As I said at the beginning of my remarks, I wish to set forth in summary form a complete disposition of the legal arguments made in support of this motion in order to reach as rapidly as possible the issue which was raised by the hon. member for Winnipeg North Centre (Mr. Knowles). I suggest that the objection put forward by the hon. member for Winnipeg North Centre is the real issue which agitates members of the opposition. I wish to point out the consequences which would follow if the view of the hon. member for Winnipeg North Centre was put into practice. I am sure that when we reach that point and get into a discussion of this matter he will agree with me that the interpretation we place upon the situation is a correct one. Meanwhile, I believe I am entitled to place before the house a summary of the arguments already advanced in order that we may move forward to the stage we should all like to reach.

An hon. Member: You have five minutes left.

Mr. Jones: I should like to continue. As I was saying, the second argument raised by the hon. member for Essex East was disposed of by the hon. member for Simcoe North.

Mr. Martin (Essex East): Would the hon. member tell us the page from which he is quoting?

Mr. Jones: I have done that. He will find this at page 1913.

Mr. Pickersgill: Get to 1963.

Mr. Jones: The third reference made by the hon. member for Essex East is to some remarks by Mr. Abbott to be found at page 1428 of the current *Hansard*. The hon. member for Essex East said:

> It was not rejected. As my hon. friend knows, it was an oral opinion. Perhaps by this time my hon. friend understands that it is not possible to produce by way of a document an opinion which has been given orally; that was the situation in 1948.

If hon. members care to refer to *Hansard* at page 1913 and read there the argument advanced by my hon. friend from Simcoe North they will see that this contention by the hon. member for Essex East was completely demolished.

All this brings me to what is, I think, really behind some of the feeling, on the part of the hon. member for Winnipeg North Centre and others, that these documents should be produced. I think it is fair to say that the underlying sentiment of hon. members who have asked for the production of this document, the basic position taken by them and particularly by the hon. member for Winnipeg North Centre, is that the taxes in question should not have been imposed by the government in the way in which this was done—that, in effect, it was an improper imposition of taxation. I think that is probably a fair summary of the position taken.

Mr. Knowles: Taxation without legislation.

Mr. Pickersgill: Taxation by order in council, which the Prime Minister promised never to do.

Mr. Jones: No. It was not a question of taxation by order in council. The hon. member for Winnipeg North Centre says, and he has agreed, that the gist of his complaint is that it was taxation which was, in effect, illegal —taxation which should not have been imposed.

Mr. Knowles: Because it was not authorized in any of the statutes.

Mr. Jones: That is the position taken by the hon. member for Winnipeg North Centre and that is the subject to which I wish to draw the attention of hon. members at this time, because I think it is germane to the question whether or not these documents should be produced.

Here I should like to point out to hon. members and especially to the hon. member for Winnipeg North Centre that the legality of these surcharges is a matter for the courts to determine if requested to do so. Various hon. members have observed that since they were imposed millions of dollars have been collected under these charges. They have been collected from companies large and small. If the companies in question had seriously believed that these taxes had been imposed illegally they would surely have made an appeal to the courts, where the matter would have been determined. The provision of the papers referred to in the motion would not decide the question of legality in any way; they would still be nothing more than an expression of opinion alongside which other people could place their opinions. We would get into an interminable wrangle.

Mr. Knowles: Would the hon. member permit a question? Is he aware of the fact that the Prime Minister refused our request to refer this question to the Supreme Court of Canada for a determination as to the legality of the charges?

Mr. Jones: I am aware that the hon. member has made that assertion on a number of occasions, but it does not meet the objection I am raising, because the very people who are directly affected by these taxes,

the large companies and others who are involved, could take this matter to court and have the validity of these taxes determined in court, which is the only place where it can be determined. This could be done in accordance with the regular processes of law. However, despite the fact that millions of dollars have been collected under the surcharges since they were first imposed, no company to my knowledge had entered suit in any court in this land to dispute these charges. Even if one or other of the people directly concerned had done this it would not amount to a definite answer, because until decision was reached ultimately this is a question which the courts must decide. As I say, it is open to anybody to dispute the validity of any taxation imposed upon them by the government.

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

Mr. H. E. Gray (Essex West): Mr. Speaker, I want to speak very briefly on this particular motion so that the issue can come to a vote this afternoon. I suggest to the hon. member who has just spoken that one important reason why this question has not been submitted to the courts by various business firms involved is that there are still some people in Canada who think that parliament should have the opportunity to discuss and decide matters of importance. That view apparently does not seem to be shared by the so-called government of the day.

Further, I should like to suggest that the fact that I have not interrupted the parliamentary secretary should not be construed by any means as implying that I think his argument is cogent and strong. He seems to think that the arguments of the hon. member for Simcoe East (Mr. Rynard) some weeks ago gained some weight from the fact that other hon. members made certain interventions. I should not like him to think that my failure to make interventions of that sort implied my belief in the validity of his argument.

The hon. member who has just spoken felt that the arguments of the hon. and learned member for Essex East (Mr. Martin) based on precedent have been completely demolished. He suggested that there is not one precedent worthy of consideration which supports the side of the hon. member for Essex East on this question. I should like to bring something to the attention of the hon. member who has just spoken and to this house. I refer to *Hansard* for March 10, 1960, page 1929. Apparently the Indian Act was under discussion, and the hon. member for Skeena (Mr. Howard) was at that time concerned about 122 Indians who had signed certain taxation waiver exemption forms and whether or not they were going to have these taxation waiver forms invalidated by statute. The then minister of immigration, now the Postmaster General (Mrs. Fairclough), said this—

Mr. Martin (Essex East): Would the hon. gentleman make sure that the Minister of Justice (Mr. Fleming) is listening?

Mr. Gray: I gathered that due to his long experience in this house he would be listening. I would be most surprised if he would not in view of the importance of this matter; and I am sure that the people of Canada would be most surprised to find that he did not consider this basic question of constitutional law sufficiently important to listen to these remarks at the present time. In any event, Mr. Speaker, the then minister of citizenship and immigration said:

> With your permission, Mr. Speaker, may I say that I have a legal ruling on that point from the Department of Justice and perhaps I might refer to it in order to help the discussion along and so subsequent speakers will not misunderstand. I will read the ruling.

At that point the hon. member for Bonavista-Twillingate (Mr. Pickersgill) said:

> Could the hon. lady speak a little louder?

Perhaps he was guessing there that these words might have to echo down through the years to this very day.

Mr. Bell (Saint John-Albert): We all know the hon. member for Bonavista-Twillingate (Mr. Pickersgill) is clairvoyant.

Mr. Gray: Clairvoyance is another quality that the hon. member who just spoke seems to lack, along with intelligence, and I sympathize with him for this lack. Then the minister went on:

> This is from the Department of Justice. It reads as follows:
>
> "... in my opinion, an Indian who has executed such a waiver will enjoy the exemption provided by section 86 (1) of the Indian Act in respect of any liability for tax that would otherwise arise after the day upon which the proposed acts are brought into force by proclamation".

Mr. Speaker, this is not a summary. It is not a conclusion. This is a quotation of the actual words of a law officer of the crown. I realize that the hon. member who has just spoken may not consider this to be a precedent worthy of consideration, and I think he should blush at thinking so little of the opinion taken by a learned minister of the crown. They really should get together and discuss this point, and I think he would have some regard for his colleague in the government of the day. Even though he might not consider this to be a precedent worthy of consideration, I submit to you and to the members of this house that this is a precedent

most worthy of consideration. It is certainly worthy because of its recency, and worthy also I think because of its source, the most distinguished and learned Postmaster General, then the minister of citizenship and immigration.

In conclusion—

Mr. Pickersgill: Before the hon. gentleman concludes, would he permit me to ask him a question?

Mr. Gray: Certainly.

Mr. Pickersgill: Could he read the opinion again, because I understood that it had reference to taxation.

Mr. Bell (Saint John-Albert): Filibuster; repetition.

Mr. Gray: It would be a privilege to accede to the hon. member's request.

Mr. Bell (Saint John-Albert): Come to a vote.

Mr. Gray: I will conclude in about five minutes and then we will see if this is permitted to come to a vote. This was a matter involving taxation and the minister of citizenship quoted these exact words:

"...in my opinion, an Indian who has executed such a waiver will enjoy the exemption provided by section 86 (1) of the Indian Act—"

etc. It is most interesting to see that the government of the day found it necessary, worth while, appropriate and correct to bring into the house the exact words of an opinion of a law officer of the crown when only 122 individuals were concerned. But it did not have enough consideration and concern for the seriousness of this question when there are 18 million people and $200 million of taxation involved. Therefore, I urge this house to permit this matter to come to a vote immediately and to vote in favour of the motion of the hon. member for Essex East.

(Translation):

Mr. Heward Grafftey (Parliamentary Secretary to the Minister of Finance): Mr. Speaker, I should like to emphasize some points of interest concerning the motion now under discussion.

As our distinguished Minister of Finance (Mr. Nowlan) already mentioned in the house a few weeks ago, one can readily realize, just by reading the motion introduced by the hon. member for Essex East (Mr. Martin) this afternoon, that it is drafted in too general terms.

First of all, we note that the hon. member for Essex East is asking:

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order, P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962.

An hon. Member: Would the hon. member allow me a question?

Mr. Grafftey: Let me read the motion first.

(Text):

An hon. Member: We can all read it.

(Translation):

Mr. Grafftey:

—and the import control list as amended by P.C. 1962-903, dated June 24, 1962, with particular reference to the legality of such orders.

At the very end, the hon. member states the following:

—with particular reference to the legality of such orders.

If we read this motion carefully, we note that even though the hon. member mentions at the end the legality of such orders, the motion is obviously too vague and thus unacceptable to the government.

Now for the second principle I want to bring up this afternoon. It is also easy to see that it would be impossible for a government to administer the country's business if it were obliged, each time the opposition requests it, to communicate to the house advice received from various government officials, either verbally or in writing.

I am convinced that the hon. member for Essex East, who has been here a long time, is well aware that documents giving such advice to the government are privileged.

Third, those opinions, as has been said many times in the house, are given usually to the government by the attorney general of our country.

The fourth principle I want to bring up has already been established by the Minister of Finance, namely that the Minister of Justice (Mr. Fleming) is not obliged to give legal opinions to the house. He does not even have the right to do so. In that respect, I refer you to Todd, volume 1, page 576.

(Text):

In continuing may I say this. While I cannot be too precise in this instance, I myself as parliamentary secretary to the Minister of Finance well remember the following incident. When I say I cannot be too precise, what I mean is this. It was either in answer to an ordinary written question or a starred question that I tabled in this house not so long ago matters concerning the legal opinion offered by the officer involved. I should like to simply state this. The hon. member for Essex East has, just at the end of his motion requesting the production of these papers,

inserted the expression, "with particular reference to the legality of such order". I know that one may not impute motives in debate, and in the truest sense of the word I am not doing that. However, I should like to say that it is my opinion that what the hon. member really desires in this debate is this. I am not quite sure that he desires it today, but when this motion was originally conceived he perhaps desired a full dress debate on the surcharges as such. Now that we have today the results which these surcharges have had—

Mr. Martin (Essex East): May I disabuse my hon. friend's mind. I want two things. I want the legal opinion—

Some hon. Members: Order.

Mr. Martin (Essex East): My hon. friend has invited this intervention. I want the legal opinion on which the government's action was based. Also, as a member of this house, I want the right to pass on a decision of the government of Canada to impose taxation to the extent of $200 million on the people of Canada.

Mr. Grafftey: I will answer that statement in two very brief sentences. If that is all the hon. member wanted, why did he not word his motion in that way? It has been suggested time and time again in this house that the motion is far too general. He says that is what he wants at the very tail end of his motion. However, I suggest that what the hon. member says he wants now and what he says he wants in the motion are two entirely different things.

An hon. Member: Double talk.

Mr. Grafftey: I suggest that this is one of the many reasons why the government cannot accept this motion. In its original concept in drafting it is far too general.

Mr. Pickersgill: May I ask the hon. gentleman a question?

Mr. Grafftey: I have been trying to answer the question of the hon. member of Essex East. As to the second question he asked, may I say that he has had offered by the deputy attorney general of Canada an opinion that the action taken by the government was legal.

Mr. Pickersgill: Where is it?

Mr. Grafftey: I have already cited, as has the Minister of Justice in a previous debate, and as have my colleagues time and time again in this particular debate in the house, precedent after precedent to the effect that advice, written or otherwise, given to members of the government by senior officials or ordinary officials is normally considered to be privileged.

Mr. Pickersgill: What about the Minister of Citizenship and Immigration?

Mr. Gray: May I ask the hon. member a question?

Mr. Grafftey: I should like to finish answering one before attempting to answer another.

Mr. Gray: I have not asked it yet.

Mr. Grafftey: The hon. member may ask his question later. I should like to say this, Mr. Speaker. The fact that this whole question has been raised by the hon. member for Essex East surprises me. Just the other day a very honourable and distinguished member of the other place in years gone by, before the present administration formed the government, said that the Liberal administration was forming a veritable establishment in this country. While we have often differed, I have always considered that the hon. member for Essex East is one of the men opposite on the front benches, who have what I call a feeling for parliament, and perhaps he is the only one. That is why it surprised me that he should raise this question. That is why it surprised me that he of all people should bring this question forward.

Mr. Pickersgill: Mr. Speaker, the hon. gentleman seems to be on a flight of fancy. Would he permit my question?

Mr. Grafftey: I am dwelling on a principle which means a great deal to me. I know it does not mean too much to the hon. gentleman.

Mr. Pickersgill: Will the hon. member answer my question? It has to do with a matter of principle. The hon. gentleman said the motion was too vague. Will the hon. gentleman, as the representative of the Minister of Finance to whom this advice was given, say that the particular piece of advice about the legality of these surcharges will be tabled voluntarily?

Mr. Grafftey: I think the hon. member for Bonavista-Twillingate must recognize the fact that this would be a government decision and that I have no authority whatsoever in the matter.

Mr. Pickersgill: Will the hon. gentleman ask his minister the next time he sees him?

Mr. Fleming (Eglinton): I would ask the hon. gentleman to have a little bit of feeling for parliament.

Mr. Grafftey: I should like to go back to an old point that I have often raised previously in this House of Commons. It surprises some people. The hon. member for Bonavista-Twillingate, as a former clerk of the privy council, had a great understanding about the government when he was a clerk of the privy council. It is no wonder that he has such a great understanding of the workings of government. I am not sure whether I am on firm ground when I say this but I believe that the clerk of the privy council was and is today the senior civil servant. I could be corrected on that matter, but that is an opinion that I have.

Mr. Pickersgill: Instead of giving opinions on this subject I think the parliamentary secretary should confine himself to the motion. I think I should draw Your Honour's attention to the fact that, up until now or until the distinguished parliamentary secretary began to speak, this debate has been restricted to discussion of whether or not these documents should be produced. When he starts to go into the history of the privy council or the biography of the hon. member for Bonavista-Twillingate, I think the distinguished parliamentary secretary wanders a long way from the motion.

The Acting Speaker (Mr. Paul): I am greatly interested in the remarks made by the hon. member for Bonavista-Twillingate. If he thinks that the hon. member who has the floor is out of order, may I ask his cooperation and that of all hon. members in abstaining from asking questions that are out of order.

Mr. Grafftey: I should just like to return to my original thesis.

My original thesis was simply this, that if any of the hon. members on the front bench opposite had a feeling for parliament it was the hon. member for Essex East. The hon. member for Essex East often asks me why I left the Liberal party.

Mr. Martin (Essex East): Yes.

Mr. Grafftey: Among many reasons, as a young man—

Some hon. Members: Order.

The Acting Speaker (Mr. Paul): Order I think the hon. member is straying very far from the motion under study. I believe there are members who are interested in speaking on this motion and I am sure he will try to bring his remarks back to the motion.

Mr. Martin (Essex East): Will my hon. friend permit me to ask him a question? Is it not a fact that he has already spoken in this debate?

Mr. Grafftey: I do not believe so.

Mr. Martin (Essex East): I think he has, and if he has then I regret to say that my hon. friend does not have the right to continue.

Mr. Fleming (Eglinton): A painful interruption.

Mr. Grafftey: It is certainly my belief that I have not spoken in this debate. I intended to be very brief in putting across this point of principle and if I seem to be out of order it is because of the numerous interruptions which have caused me to take a longer time to get my point across. It is simply this. I felt that the hon. member for Essex East, unlike some of his colleagues on the front bench who confuse parliamentary principle with bureaucratic control, at least had a feeling for parliament, and that is why I am surprised that under any pretense he should believe it is a good idea to make public an opinion such as the one he wants made public.

Mr. Pickersgill: That is an argument for bureaucracy you are making.

Mr. Grafftey: I can only suggest in all sincerity that over the last number of weeks we have seen in the House of Commons the opposition trying to—

Some hon. Members: Order.

Mr. Habel: Trying to get information.

Mr. Matheson: Trying to bring the facts before parliament.

Mr. Grafftey: Mr. Speaker, I should like to be heard and if there are points of order I would ask that they not be made from members' seats. This is closure by noise, Mr. Speaker. If there are any points of order, let them be brought forward. I wish hon. members would do so.

Mr. Pickersgill: I am sure you do.

Mr. Grafftey: I should simply like to say that I am not sure the once great Liberal party has points of principle, points of real doctrine, that they can bring before the House of Commons.

Mr. Matheson: May I ask a question?

Mr. Grafftey: We have seen motions of this nature brought before the Canadian House of Commons. We have seen attempts by hon. members opposite to try to defeat the government on little procedural matters.

Mr. Martin (Essex East): We did today.

(Translation):

The Acting Speaker (Mr. Paul): Order. The hon. member must not attribute motives to the mover of this motion. The wording of the

motion speaks for itself. I expect that when he continues the hon. member will obey the rules and stay within the limits of the debate.

(Text):

Mr. Grafftey: Mr. Speaker, I am only bringing to the attention of the house that the very way this motion is worded makes me feel that what is really wanted—

Some hon. Members: Order.

Mr. Grafftey: Hon. members are saying "order". The fact is that this motion asks for one thing, and less than ten minutes ago the hon. member for Essex East rose and said that he wanted something else. What are we expected to believe? If this is the case, then I have every right to imply, not knowing what they really want, what I believe they really want and that is a broad and general debate on the surcharges.

Mr. Pickersgill: Hear, hear. Let us have it.

Mr. Grafftey: That is not what the motion asks for. The motion is far too general and that is one of the reasons why the government cannot accept it. I would suggest that hon. members opposite think about getting down to the real business of governing Canada. The people of Canada want us to get down to the nation's business and forget these procedural matters.

Mr. Matheson: It is about time.

Mr. Grafftey: The people of Canada want us to get down to the major business of the house and put our national interests before party interests.

Mr. McIlraith: Why does the government not do that?

An hon. Member: Liberal obstruction.

(Translation):

The Acting Speaker (Mr. Paul): Order. I do not know of any changes in the rules of this house, and the one I read is to the effect that only one member, at a time, can speak. Therefore, I am sure that everyone will understand that the member who has the floor at this time is the hon. member for Brome-Missisquoi (Mr. Grafftey).

(Text):

Mr. Grafftey: The fact that the hon. member for Essex East says that he wants one thing and the motion asks for another leads me to believe that hon. members opposite do not know what they want. This is another reason why we cannot accept the motion. When in the history of parliament has a government accepted a motion from an opposition that did not know what it really wanted?

[The Acting Speaker (Mr. Paul).]

I suggest that this motion shows that members opposite would like to defeat the government at any cost, not on a question of principle because they have forgotten what principles are.

Mr. Pickersgill: I wonder whether I might ask the hon. gentleman a question? Does he think there is any higher principle than the right of parliament, and parliament alone, to tax?

Mr. Grafftey: Parliament is the voice of the people, and the voice of the people of Canada today is saying to parliament: Get on with the nation's business and do not present such phony motions to the house in an effort to defeat the government on procedural niceties. If parliament truly reflected that spirit today, if hon. members opposite were listening to the people of Canada they would not be presenting such fractious motions to parliament. That is why I have every right to voice cynicism when hon. members opposite ask for one thing in a motion and then another thing on the floor of the house. I suggest to hon. members that they get together and decide what they really want. Then the government can at least begin to consider whether or not it can accept their motions. For these reasons, which I have attempted to outline amid many interruptions, it is absolutely impossible for the government to consider accepting such a motion.

(Translation):

Mr. Real Caouette (Villeneuve): Mr. Speaker, we just heard the hon. member for Brome-Missisquoi (Mr. Grafftey) discuss the order or orders in council passed by the government on June 24, July 11 and again on June 24, 1962. I wonder why the government persists in not tabling in the house the correspondence asked for by the hon. member for Essex East (Mr. Martin).

It seems to me that this request is a usual and normal one which should help and inform every member of this house.

Here is what is asked for in that notice of motion:

> That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of correspondence or any documents exchanged between the Prime Minister or the Minister of Finance or any other minister of the crown and officers of the Department of Justice or the privy council or any other government department or agency on the subject of surcharge and imports order—

The surcharge on imports might be of some value but we believe that it would be preferable, instead of imposing a surcharge, to grant a compensated discount on products made in

Canada as an incentive for Canadians to buy our own production.

Nevertheless, we would like to know what correspondence was exchanged concerning that "surcharge on imports".

—P.C. 1962-902, dated June 24, 1962, and the amendment to the surcharge and imports order, P.C. 1962-987, dated July 11, 1962, and the import control list as amended by P.C. 1962-903, dated June 24, 1962—

We go to July and we come back to June. That is somewhat the game the Liberals played for 22 years in Canada, going forward and coming back after.

—with particular reference to the legality of such orders.

It is a matter of legality. It is also a matter of receiving the appropriate documents, the documents or correspondence in respect to those orders.

We, of the Social Credit party, believe that even if there is here a point of law on which lawyers can fight, in the first place, even before this motion or request for correspondence and orders is passed, we should ensure that an incentive system to help production in our own country is established.

The Acting Speaker (Mr. Paul): Order. I am sorry to interrupt the hon. member, but it seems to me that his remarks are out of order since we are considering a motion for the tabling of some documents. I do not think that on this occasion it is in order to discuss the advisability of applying this or that measure.

Therefore, I ask the hon. member to limit his remarks to the wording of the motion under study.

Mr. Caouette: Thank you, Mr. Speaker. I will restrict myself to the wording of the motion.

Like the hon. member for Essex East, we ask that all the documents required to inform the house about the surcharge or about any surcharge whatever on imports coming either from the United States or from any other country in the world be tabled, so that the members may know exactly how they stand regarding these orders in council of June 24 and July 11.

(Text):

Some hon. Members: Question, question.

The Acting Speaker (Mr. Paul): The hon. member for York-Humber.

Mr. Cowan: I will gladly yield the floor for the question.

Mr. Pigeon: He wants to speak.

Mr. Bell (Saint John-Albert): I think the hon. member for York-Humber should be heard. He has been trying to get the floor for quite a few minutes.

Mr. R. B. Cowan (York-Humber): I appreciate the opportunity of saying a few words on this matter of producing the opinion of the deputy attorney general, particularly on this last day of the month of January which is named after the two-faced god Janus who, as you know, looked both ways.

I should like to point out that five years ago this very month there was an opinion of the deputy minister of trade and commerce being bandied around this house. The then minister of finance, now the Minister of Justice (Mr. Fleming), was screaming that the Liberal party had concealed the facts. It was not enough that they concealed advice they received from competent sources; it was not enough—

The Acting Speaker (Mr. Paul): Order; the hon. member cannot choose this time to make a political statement.

Some hon. Members: Oh, oh.

Mr. Benidickson: He is giving a precedent.

The Acting Speaker (Mr. Paul): I am sure the hon. member will try, after his introduction, to make his remarks relevant to the motion.

Mr. Cowan: My reference was to page 3568 of *Hansard* for January 21, 1958. I am a new member in the house, but I was present on October 9 and again on November 8 when the Minister of Justice made a remark which I consider ridiculous in commenting on this situation. I quote:

Therefore, Mr. Speaker, on the subject of the validity and legality of these orders in council let me say that the government has proceeded on the highest advice, and that the legality of these orders is not questioned unless hon. members choose to question the opinion of the deputy attorney general of Canada.

Mr. Bell (Saint John-Albert): Six o'clock, Mr. Speaker.

Mr. Benidickson: You are just running scared.

Mr. Speaker: The hour appointed for private members' business having expired, the house will now revert to the business which was interrupted at five o'clock.

EXTERNAL AFFAIRS

U.S. STATE DEPARTMENT PRESS RELEASE—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

The house resumed consideration of the motion of Mr. Pearson for the adjournment

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of the house under standing order 26 for the purpose of discussing a definite matter of urgent public importance, namely: the statement made last night by the U.S. department of state contradicting the recent statements of the Prime Minister and the Minister of National Defence, concerning the joint defence arrangements of the Canadian and United States governments.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Pearson: Mr. Speaker, in my remarks this afternoon I was asking the Canadian government to take advantage of this motion to discuss Canadian defence policy, and in doing so to examine, if it so desires, the United States government statement which, I repeat, should not have been issued in the first place but which, having been issued, is a further link in the chain of evidence which exposes the confusions, the contradictions, the weakness and the indecision of Canadian defence policy today as part of continental, and indeed collective, defence policy. The reason we on this side of the house believe that such a discussion is a matter of urgent importance, and the reason we are joined in this opinion by two of the three other parties in this house, has nothing to do with United States opinions about Canadian policies which may be implied in that statement. As I have said, such an expression of opinion in these circumstances was unwarranted and unjustified. I know that the United States government had plenty of provocation. It had before it the spectacle of the government which had joined with it in continental defence, the government which had made in July, 1957 the NORAD agreement with it, apparently publicly divided about matters which were of course of close concern to the United States, with the Prime Minister (Mr. Diefenbaker) saying one thing and the Minister of National Defence (Mr. Harkness) saying something else, with the Minister of National Defence apparently engaged in negotiations with the United States to carry out his policy, and the Prime Minister disclosing these confidential negotiations last Friday but certainly not explaining them.

However, Mr. Speaker, whatever the provocation, two wrongs do not make a right and to the extent that it expressed or implied opinions, the United States government was wrong in making this public statement. But the primary interest of this house is not in the opinions of the United States government. Our interest lies in finding out the facts for and about Canada, the facts as to what is the present defence policy of this Canadian government. The Prime Minister has told one story, the Minister of National Defence has told another; the Secretary of State for External Affairs (Mr. Green) and the Associate Minister of National Defence (Mr. Sevigny) sit silent. It is left to our neighbour and ally to tell yet another story, one much closer to that of the Minister of National Defence than to the Prime Minister's, but different in important respects from both. We want the facts, Mr. Speaker, all the facts, about the defence policy of Canada.

The Canadian people have the right to know. If our allies want to know too, as they apparently do, that is natural in a coalition, but it is secondary. It is of first importance however that the Canadian people know. Any government that evades any longer telling them, that evades saying what are its own policies in this vital matter, is guilty of neglect of its duty to the Canadian people.

This motion, which the government opposed, does give the government another chance to tell us now. However, Mr. Speaker, it will not be helpful, to say the least—and it could be harmful—if, instead of doing this, government spokesmen retreat into cheap slanders about the motives of those of us on this side in the statements that we make on defence. So far as my own motives are concerned, I will let the record speak about my service to my country, and of my pride in that service over the many years as a Canadian, but as one who knows that service to Canada cannot be divorced from service to peace and to freedom. These irritating but idle slanders, Mr. Speaker, are merely a smokescreen for those who wish to obscure their own defaults and take people's minds off the serious problems which we face in this country today and which we must solve. It would be a sorry day for us all if we allowed—or, even worse, if we encouraged—differences and disputes between our two countries to weaken, and perhaps even destroy, the good neighbourhood which we have built up over the years and which of course has had to stand, and will have to stand, many strains. It is now more essential than ever that both countries, as partners in a coalition of other free and democratic nations for peace and progress, preserve and strengthen that good neighbourhood inside the coalition in which the United States alone have the power to give the leadership that is required—I pray that it also has the wisdom—in that coalition in which Canada has played and, I hope, will continue to play, a good and responsible part. I do not propose, and we on this side do not

propose, to do anything which would blur or weaken that part. Whenever the western alliance is weakened and divided, only Moscow and Peking are happy; and there are sombre signs of such a division in Europe today. I hope they will disappear. In any event, let us not carry this division across the Atlantic or do anything which would injure good relations on this continent. At least, let us make sure that if this is done we do not have any responsibility on our side of the border for that deterioration.

It was said this afternoon that Canada and Canadians are not going to be pushed around by anyone. Of course we are not. Canada will manage its own affairs. But we cannot do this in isolation from our friends or by quarrelling needlessly with them. Canada first, yes: The right kind of nationalism is a healthy and strong thing in the building of a country. Canada first, yes: But to say "Canada only" would be wrong and impossible. Let us be mature enough to accept both these guides for conduct in our relations with the United States of America and with our other friends. If our two countries sharing this continent, so close together in so many ways, cannot maintain a solid structure of friendship and close co-operation founded on respect for each other's national identity and national independence, then ideed there is little hope for peace, security and progress in the troubled world of today. I say this: in defence and in everything else we can stand up for Canada, as we will; we can protect our rights and safeguard our interests, as we will. But I insist on believing we can do this while maintaining close and good relations with our neighbours. As Canadians—and all members of the house are Canadians and proud to be Canadians—we on this side will do our best to avoid any such disastrous results coming from any temporary differences which may exist between our two countries and which, I do believe, by good sense, moderation and understanding on both sides, can easily be solved.

Mr. R. N. Thompson (Red Deer): The debate in which we are taking part today is an example of sheer pettiness and petty politics at their worst. To me, the whole thing smacks of hypocrisy. I cannot help but go back in my mind to the middle of last June when we were told that the financial situation of Canada was better than it had ever been—that there was nothing wrong with it. I recall that on June 20 or June 21, just after the election, there was a television forum in Ottawa at which the Minister of Agriculture (Mr. Hamilton) came out from a cabinet meeting and joined us in the forum. In the course of that program he declared that Canada was

in better shape than it had ever been before. The very next day, the austerity program was announced and news of the financial crisis was made known.

I am concerned at this time because, once again, the people of Canada are being deceived as to the actual facts, not only by the government but also by the official opposition. This is why the people in Canada are getting fed up with politics in running the management of their affairs. Certainly, in a question as important as defence the people of Canada and their representatives in this house deserve to know what are the actual facts of this situation. To me this is something which should not be political. It should transcend political barriers because it is something with which every one of us is vitally concerned if we are to fulfil our own obligations and responsibilities to our country. What we really want here tonight is a statement of what really is the defence policy of the government of this country. What we need to do is to lift this thing out of the political muck it has got into and set it up according to principle; to state what is our principle as far as defence policy is concerned. This is what the people of Canada expect from this house and from this government. It is our obligation to fulfil this responsibility to our electorate.

I am disturbed by a number of things which have been said. We find that the leader of the official opposition (Mr. Pearson) is accused of having gone down to the United States to get advice to guide his policy. But what is the difference between that and going to have a meeting with the President of the United States to find out what should be done? What we need to do is to lay down Canadian policy. Leave politics out of it, and let us bring this debate up to the level where it should be. It is not so much a question of Canadian policies which are in opposition to United States policy. That is not what is involved in this document issued by the U.S. state department last night. The real issue is simply this: what is our policy —what is the Canadian policy, not the American policy? That is why, if we are going to blame this on the United States, although in this case I believe they were entirely wrong in how they did it, we should be careful how we proceed. I believe the real key to this situation which has developed between the United States and Canada—and these things ought not to happen, because the United States is our friend whether we like it or not—

Some hon. Members: Oh, oh.

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Mr. Thompson: The first line of defence in this nation, if there should ever come a day when there is the danger of invasion from without, would be carried by the United States of America, again, whether we like it or not.

Coming back to the issue, it seems to me that we should not and cannot make this question of defence a political football. It is not difficult or should not be difficult to define a defence policy for this country. I do not find it so difficult. Let us face up to a few facts and have the courage to put them down and state them, and get rid of this uncertainty. Let us pull this matter out of the realm of emotions we are playing to today. There are other things more important than that. That is why I am convinced, and I am still convinced even though the Prime Minister says it cannot be done, that we should have a defence committee composed of representatives from each of the parties. It need not be a policy making committee. I agree that the final policy is the responsibility of the government. Certainly, if we had such a committee, we would never be in the mess we are today because together we would have carried the responsibility and together met the question posed as a result of what happened last night. I am not alone in saying that this should be done because I hear it from across the country. I picked up a paper of the city last night, the Ottawa *Citizen*, and read an editorial which said that at no time more than in the past two years had it been so apparent that parliament should either set up a committee to examine the country's defence policy, or that the government should issue a white paper on its defence program. The article went on to say that it is not necessary that a committee make policy, that only the government could do that, but that a committee could define the policy that does exist.

An hon. Member: If it exists.

Mr. Thompson: The editorial said that a white paper could serve the same purpose; that the nation would then have a basis for discussion of the government's defence policy. This, to me, makes a lot of sense, and I think this would be the logical action to take.

Instead, what do we have? We have delay. We have confusion. Yes, and we have deceit; and on top of that we have frustration across the whole country. We see this spectacle of a government where the minister of external affairs follows one pattern of policy, and carries it through very determinedly and with a good deal of conviction. We see on the other side the minister of defence with another policy, and I believe he carries that through with an equal amount of conviction as to what the facts really are. And in between we have the Prime Minister walking a tightrope and trying to balance between the two. If I were the minister of defence it seems to me that the only thing left to do would be to quit, and maybe that would not be a bad suggestion. He would not be the first one in the cabinet to do that. In fact, I suggest to him that he could go out to his home province and probably take over the leadership of his party, because certainly the present leader is making a shambles of it. I am not a lawyer and certainly not a criminal lawyer, but nevertheless I could find a precedent not too far away which he could follow on that matter.

I think that this brings us back to the point that we are in a position of indecision and confusion because we are not being told the facts of the case. Let us go back for a few moments to the document of last night. I find it very interesting to read in the third paragraph that—

> —in 1958 the Canadian government decided to adopt the Bomarc-B weapons systems. Accordingly two Bomarc-B squadrons were deployed to Canada where they would serve the double purpose of protecting Montreal and Toronto as well as the U.S. deterrent force. The Bomarc-B was not designed to carry any conventional warhead.

If it were not designed to carry any conventional warhead, and if it were brought here to defend Toronto and Montreal, for goodness sakes what are we thinking of? It means only this, that we intended to put nuclear warheads on them; and whether we have any written commitment or not, we have a moral commitment to put nuclear warheads on the Bomarc-B missiles because we spent $700 million of the taxpayers money to bring them here, and other carriers as well—to do what? Was it to dig a hole in the ground or to give our pilots some planes to fly? No. We did it because we had a moral obligation. The statement continues:

> The matter of making available a nuclear warhead for it and for other nuclear-capable weapons systems acquired by Canada has been the subject of inconclusive discussions between the two governments. The installation of the two Bomarc-B batteries in Canada without nuclear warheads was completed in 1962.

Then comes another point when we read on a little further. The statement says:

> The discussions between the two governments have also involved possible arrangements for the provision of nuclear weapons for Canadian NATO forces in Europe, similar to the arrangements which the United States has made with many of our other NATO allies.

As I read this statement, I find that no legal commitments on paper have been made. I cannot understand the leader of the official opposition (Mr. Pearson) saying that we must fulfil our commitments. Yes, we have a moral

commitment to do so, but as far as this document is concerned there is no written commitment. If we are going to say that we must have these weapons in order to fulfil our commitments and because we are advised by the military on the United States side that we should have them, then we are as hypocritical as they are and are deceiving the Canadian people or trying to make them think that we have something which we do not have. This is the matter which is confusing. I think that what we must do and is our obligation to do is to clarify the picture, and it is the responsibility of the government to clarify it. That is all we want. It is only then that we can in any effective way deal with this statement which has been issued by the United States defence department.

Mr. Speaker, let us go back a little bit. Last week we were supposed to have a full opportunity to discuss Canada's defence policies. When the estimates of the Department of External Affairs were brought up for examination, the Prime Minister announced that this action was being taken to provide a full scale debate on foreign affairs and defence. And yet we did not hear one word from the minister of defence. We never heard one word from the associate minister of defence. All we heard was an attempt by the confused minister of defence to define what the Prime Minister said. In his speech, which went on for an hour and 50 minutes or something like that the Prime Minister gave a very capable display of tearing the leader of the official opposition to pieces, without giving any clear statement of policy from the Prime Minister. This again is not good enough.

The disappointment about this debate was that the minister of external affairs lost his voice during his opening remarks, and he did not in fact say anything about Canada's defence policy, either. He merely reviewed the world situation and Canada's activities in the United Nations. The Minister of National Defence (Mr. Harkness) did not make any contribution; nor did the associate minister. This was frustrating to us, as we tried intelligently to understand what was the government's policy. The Prime Minister got into the debate late on the last day, and while he spoke for a long time, again I say that he did not clarify the government's policy. He did not tell us what our commitments were or even what he felt our responsibilities were. Again it is not only myself who is confused. I find in the Ottawa *Citizen* for January 23 an article by Norman Campbell which says that confusion is added to what actually happened at Nassau and the statements that were made, in light of what the Prime Minister had said. Yet we find in this communique that it said clearly in relation to the *U.S. State Department Press Release* Nassau discussions that there should not be any doubt about what these conclusions were; that was stated very definitely and clearly.

Later the state department of the United States issued a press release. This press release has stated that Canada has given certain commitments and is taking part in certain negotiations with the United States in regard to the joint effort of defending this country both in NATO and in North America, but that we have not provided armaments with which to discharge those responsibilities. I am sure that if the government had only clarified its responsibilities when we had our discussion the other day, this situation would never have come about. It is therefore unfortunate indeed that we must now witness a repetition of bewilderment and deceit. I can forgive mistakes and I think we will agree on that matter. We can even forgive and forget instances of poor judgment. However, we cannot forgive deceit or the withholding of information or the giving of impressions other than those which accord with the actual facts in matters as important as national defence policy and those things which relate to our foreign policy.

I come back again to this editorial in last night's *Citizen*. A little further down I read as follows:

> Mr. Diefenbaker has described his statement on defence as "very direct, very clear, and very comprehensive". If that were a television commercial on behalf of his own speech, he might stand accused of using misleading advertising. It is high time the confusion on this important national issue were dissipated.

This is just where we stand and this is where I think we must come back again to the very point with which I started out, namely that we must lift this thing up to a principle level and must state what our policy is. We owe it to our Canadian people. We owe it to our own nation. Then and only then can we deal properly with the United States and our joint responsibilities with her in the defence of the country.

I look across at the Leader of the Opposition and again I repeat that he is a man who has been respected not only in this country but throughout the world for his understanding of and contribution to international affairs. It is a shame that his record must be blurred by the same kind of thing of which he accuses the Prime Minister. I read from his statement made last Friday in which he says we actually have made commitments and that therefore we must stand by those commitments. Yet when the truth comes out today, we find that we do not have those commitments. Is he trying to justify himself with regard to what he has said, instead of coming to grips with the problem and assisting us to come out of this maze of confusion and uncertainty in which we find ourselves?

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This is the situation before us. The reason why we are in this particular discussion tonight is that the government of the United States has become exasperated at our indecisiveness and our unwillingness to go along with what is apparent responsibility, whether it be in the form of moral or written commitments. While again I do not agree with the manner in which they did it, I feel they have been obliged to come out and to clarify for us what our commitments are. This situation is wrong. Thus I believe we in the opposition parties have come here representing what is the general feeling across this country tonight, namely that we want to know what the policy of the government is.

An hon. Member: Would you understand it if you did know what it is?

Mr. Thompson: Such statements are just typical of more of the petty politics we have here, and the less we have of them the better. Again may I say that what we want is a statement of government policy or else a demonstration from the government that they are willing to come down and work out what seem to be legitimate and sound policies for the defence of our country, not only through what we have within ourselves in our own ability to develop but also that which we share with the United States for the overall defence of this continent.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, this debate has been precipitated by a press release which was issued by the United States state department yesterday. All parties in this house have gone on record as regretting and resenting this interference in what is a matter of public debate in the House of Commons and something which should be settled by the people of Canada alone. However, Mr. Speaker, we ought not to allow any feeling of resentment to cause us to lose our sense of perspective with regard to this matter. I think we have a right to tell the Americans that we will decide this matter for ourselves. But even this course need not interfere with the good relations between Canada and the United States. We have strong bonds of blood, language and trade as well as common ideals of justice, democracy and liberty which will always bind us closely together.

The Leader of the Opposition made a great play with regard to the importance of friendship between these two neighbouring countries. With that sentiment all of us will agree. However, I submit that independence of thought and expression need not mean division. In the communist bloc where a group of satellites are held in thrall by the Soviet union, obedience is the watchword. However, in the west we have always prided ourselves on the fact that what we have is a free association of free people and that where there is a free association of free people we should have the right to express our differences of opinion. This ought not to diminish our friendship. As a matter of fact, it is sometimes easier to tell your neighbour and your friend to mind his own business than it is to tell a stranger to do so. That is all we have tried to do today, without in any way meaning that we are seeking to divide these two nations in the many things which they have in common.

Independence in matters of international affairs is something for which the Canadian people have struggled over the years. There was in our history a time when we were still tied to London by strings of colonialism. Men like Sir Robert Borden in the first world war and Right Hon. Mackenzie King at the beginning of the second world war insisted that Canada had a right to make its own decisions and that we did not take instructions from Whitehall. In the second half of the twentieth century it is equally important that, without being offensive, we can say that we are not prepared to take instructions either from the pentagon or Whitehall.

What I resent most about the statement which was issued yesterday by the state department of the United States is not just that it criticized the head of a government of a friendly country but that it sought to put pressure on the Canadian people to adopt a policy with which I disagree. But irrespective of whether I disagree with it or not, it is a policy which the Canadian people have the right to adopt or reject on their own, without interference by others.

The second thing I think we should keep in mind is that this statement which was issued yesterday simply points up the fact that the Canadian government has not been straightforward and honest in acquainting the Canadian people regarding its intentions concerning the acquisition of nuclear arms. This afternoon the Prime Minister said that this statement from Washington would in no way change the government's statement. As I said this afternoon, which statement? We have had two policies enunciated by the government and all this furore has been because we are trying to get the government to come down on one side or the other so that the Canadian people will know what our policy is in respect of the acquisition of nuclear arms.

Over the years this government has accepted commitments to acquire equipment and planes which were virtually useless unless they were equipped with nuclear warheads. Yet the government has continued to give the impression that even though they

were buying this equipment no irrevocable decision had been made to acquire these nuclear warheads. Always the suggestion has been thrown out that "some time in the future we will be able to make this decision". What we have really been doing is to spend hundreds of millions of dollars of the taxpayers' money buying equipment which is worthless if we do not accept nuclear warheads, and which puts us into the nuclear club if we do.

The Prime Minister himself put on the record last Friday his well known statement at Brockville during the election campaign where he said:

> We shall not, so long as we are pursuing the ways of disarmament, allow the extension of the nuclear family into Canada ... We do not intend to allow the spread of nuclear arms beyond the nations which now have them.

That seems a very clearcut statement. Now we find as a result of the statement that was made first by the Prime Minister and then by the Minister of National Defence, and now by the state department, that negotiations are going on at the present time to acquire nuclear arms even though the prospects for disarmament are much brighter now than they have been for some time.

Let me point out some of the inconsistencies. In his statement last Friday the Prime Minister, as found on page 3128 of *Hansard*, said:

> In 1958, when the Bomarc was first laid down as a plan, the great challenge to North America was believed to be bombers carrying bombs ... Today that is changed. More and more there is a phasing out in connection with the bomber threat as more and more intercontinental ballistic missiles are increasing in number.

That statement by the Prime Minister is supported by the statement which appeared in today's press containing an announcement made by Mr. McNamara, secretary of state for defence in Washington yesterday. Mr. McNamara said:

> Bomarc anti aircraft missiles, which cost the United States about $2 billion, have only a limited life. These weapons suffer from the same defects as manned interceptors, vulnerability to ballistic missile attack. But because the United States already has paid for its eight Bomarc sites, the Bomarc system will be continued for several years. Canada has two Bomarc squadrons, but no nuclear warheads for them.

In the same statement Mr. McNamara said:

> The main continental concentration must be in defence against the expanding intercontinental missile threat. The United States is moving ahead with research on a more advanced form of anti-missile defence known as the Nike-X, but there will be no production until the system is able to discriminate between a real nuclear missile and a decoy.

If it is true that the Bomarc has a very short life, a very limited effectiveness, and

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that manned bombers are no longer a real threat, then it seems to me the government ought to tell us why it is that they now propose, according to the Minister of National Defence, to negotiate agreements to accept nuclear warheads for them. In the same speech of last Friday the Prime Minister made this significant statement:

> More and more the nuclear deterrent is becoming of such a nature that more nuclear arms will add nothing materially to our defences. Greater and greater emphasis must be placed on conventional arms and conventional forces.

I ask the house to consider that statement in the light of the statements which were made by the Minister of National Defence and by the state department. As found on page 3136 of *Hansard* the Prime Minister said:

> Delivery of the F-104G has commenced, but the strike reconnaissance role has been placed under doubt by the recent Nassau declaration concerning nuclear arms...

He went on to say:

> It will be necessary, therefore, at this meeting in May, for Canada to give consideration to this matter and we will, in co-operation with the nations of NATO, undertake a clarification of our role in NATO defence plans and disposition.

In the light of these statements let us look now at what the Minister of National Defence said. I must say in passing that to the best of my knowledge this is the first time that 72 hours after a prime minister has made an important statement on policy in parliament one of his ministers has found it necessary to issue a statement of clarification and interpretation and to make it outside of the house where he could not be questioned or interrogated on the matter. The Minister of National Defence, referring to page 3136 of *Hansard* for January 25, sums up the Prime Minister's statement by saying:

> Those paragraphs state a definite policy for the acquisition of nuclear arms in these terms.

That certainly is not the impression that those of us who listened to the speech or those of us who read it carefully clause by clause next day got from it. The Minister of National Defence then sums up the three paragraphs and says:

> First, our obligations to equip certain weapons systems with nuclear arms are reiterated, together with the determination to honour those obligations.

What obligations? This is what we want to know; what are the obligations? If the Canadian government decides to commit Canada into the nuclear club, then the Canadian people ought to know it. They ought to know what obligations have been assumed. If the minister says we are going to honour those obligations, then this parliament and the people of this country ought to know what it is we are going to honour, and what it is we

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are going to do. The minister who says we are going to honour these obligations has not yet spoken in parliament, although we have been sitting for months, to tell us what our obligations are.

Second, that the strike reconnaissance role of the F-104's has been placed in some doubt by the recent Nassau declaration, as well as other developments in the defence field; thus, it is necessary for Canada to seek, on the part of NATO, a clarification of her role in NATO defence plans and dispositions; this clarification to be provided when the NATO ministerial meeting is held in Canada next May. Should NATO reaffirm for Canada a role involving nuclear weapons, Canada will equip her NATO forces to discharge her obligation.

Surely, that is crystal clear, beyond any shadow of doubt. It is not this parliament, it is not this government; it is our NATO allies who will decide whether or not to reaffirm Canada's role involving nuclear weapons. Now, it is bad enough when any one country, even a friendly neighbour, is going to lay down our policy; but is the NATO council now going to lay down our policy? This is certainly the implication in this statement. Of course, as the release from the state department points out, this whole question of the Nassau declaration placing this matter in doubt is a sheer hallucination and is simply another means of postponing making a decision, a decision which this government has been putting off month after month and year after year.

I say it is time for them to take their courage in their hands. Sooner or later, they have to come down on the side of the Secretary of State for External Affairs (Mr. Green) who has been against nuclear weapons, or the defence minister who has been for nuclear weapons. Any government, any individual who tries to ride two horses going in opposite directions is bound to find himself sitting in a most undignified position. This is exactly the plight into which the government has brought itself at the present time.

I continue with the minister's statement:

Third, so far as NORAD is concerned, Canada has been negotiating with the United States for the past two to three months in order that nuclear warheads will be made available for our two squadrons of Bomarcs and for the F-101 interceptor squadrons. These negotiations will be continued in order to reach a satisfactory agreement. I believe such an agreement can be arrived at in the near future.

I would point out, Mr. Speaker, that in both the statement of the Prime Minister and the defence minister, only NORAD is mentioned as being the subject of nuclear negotiations with the United States. However, the state department release yesterday says that there have been confidential discussions proposed by the Canadian government concerning circumstances under which there might be provision of nuclear weapons for Canadian armed forces in Canada and Europe. We were not, therefore, told all the story. I might point out also that the minister's statement refers to nuclear warheads for the F-101 interceptor planes, but the Prime Minister's statement says that these would be armed with conventional weapons.

I do not believe, Mr. Speaker, it is necessary to labour the point. I feel it is quite clear that the government has been unable to make up its mind. Since 1958 it has been playing both sides of the street. Now, events have caught up with them. The Prime Minister said last Friday that the government's policy was flexible and fluid. It has not been either flexible or fluid, it has become wiley and wobbly; it has wobbled from one side to the other. Theirs has been a program of postponement and procrastination. I hope the government will make up its mind. I hope it will make up its mind in favour of a non-nuclear role for Canada. But what I fear is that we are, behind closed doors, being committed inch by inch to nuclear weapons, so that suddenly we will wake up to find ourselves members of the world's nuclear club.

The statement by the minister of defence, and the statement by the state department yesterday, make it fairly clear to me at least that the policy of the government on nuclear weapons is not substantially different from that of the Liberal party, except that the Liberal party has come out forthrightly now and said that they are in favour of accepting nuclear weapons for Canada. The government seems to be edging into it backwards, bit by bit, by secret negotiations and the buying of equipment which is worthless without nuclear warheads. The end result, of course, will be the same. The Liberal party wants to go into the nuclear club through the front door and then, if they can, negotiate themselves out the back door. The government, apparently, wants to sneak in under cover of darkness through the back door so nobody will see them going in.

We in this party have made our position abundantly clear. We say that Canada should negotiate itself out of any nuclear commitments under both NORAD and NATO. I do not need to reiterate the arguments. The Prime Minister himself gave some of them last Friday when he said that nuclear arms would not add materially to our safety, that the real threat in the future is from intercontinental ballistic missiles, that our contribution could be made by the use of conventional arms or conventional forces. They are all there. The official opposition, the Liberal party, really do not want a nuclear role for Canada either, because they say that even if they get nuclear weapons, the moment

they get them and train people to use them, they are going to try to get rid of them. Then why not start by not accepting them in the first place.

We think this is the time to speak out independently, as other nations in NATO have done, Norway, Denmark and others. We say there is nothing to be gained by joining the nuclear club, but there is much to be lost; that the whole trend today in military strategy is away from the limited nuclear, tactical war; that the two great powers now have the ultimate nuclear deterrent; that as long as it is restricted to these two powers, the horrible consequences of a nuclear war may deter them both, and that therefore Canada's best contribution lies in containment, in preventing nuclear weapons from spreading to nations other than the two which now have them. We say that this is the first step as a prelude to getting a ban on nuclear tests and ultimately an international treaty for nuclear disarmament under international inspection and control.

We are not suggesting that Canada should wash its hands of its responsibilities. We are a member of the west. We have great responsibilities in this world. But we maintain that those responsibilities, in view of our size, our location and our resources, can best be discharged by giving increasing support to the United Nations, by supplying conventional forces for a world police force, by making available some of our vast resources of food, capital goods and consumer goods to help the underprivileged and needy countries in the world.

May I close by saying this one word, Mr. Speaker. Around the corridors there are constant rumours of a dissolution of this parliament so that this matter can be settled by the people of Canada. I for one believe that if this government or any government, having in mind that all the parties in the last election were against acquiring nuclear weapons for Canada, is going to acquire nuclear weapons, it has a responsibility to go honestly to the people of Canada for a mandate before accepting nuclear weapons which involve the lives, the welfare and the future of the people of this country. I want to say that as far as we in this party are concerned, no talk of a dissolution will intimidate us from trying to find out what our obligations are and from seeking to discover the extent to which this government has committed us to the acquisition of nuclear arms. After all, arguments about United States intervention and arguments about whether or not the government's policy is a made in Canada policy rather than a made in the United States policy are pure irrelevancies. They constitute a smokescreen, a smokescreen that is laced with double talk.

There is only one question at issue in this debate. That question is, to what extent, if any, has the government of Canada committed itself to the acquisition of nuclear arms for its forces? That is what we want to know. We have had contradictory and conflicting statements. We would be derelict in our duty, Mr. Speaker, if we did not insist that the government tell us. It is not a matter of mere academic debate or political manoeuvring. Joining the nuclear club is something which can affect the lives of all the people in this country, of generations yet unborn, and the peace of the world. We have a right to know what is the government's policy. We have a right to know what commitments they have made. We have a right, above all, to have the government come down on one side or the other. We in this party plead with them to come down on the side of giving Canada a conventional and economic aid role in the world, and to stand up before the world and say that in order to promote peace, in order to prevent the spread of nuclear weapons, Canada will not become a member of the nuclear club and will not accept nuclear arms.

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I thank the house for the very kind reception it has given me including, I see, applause from some hon. members opposite, to which I am totally unaccustomed. This debate was supposed to be on the statement made last night by the United States department of state concerning defence arrangements between the Canadian and United States governments, as moved by the Leader of the Opposition (Mr. Pearson). I must say that it has moved far, far away from that. However, I do not complain on that score and I think it is perhaps inevitable in a debate of this kind that there be quite a wide range of subjects introduced. I was a little surprised, however, to hear the hon. member for Red Deer (Mr. Thompson) make the suggestion that I should go out to Alberta to lead the Conservative party there. I am quite sure that he did not get that suggestion from the premier of the province, Mr. Manning, who I think I see in the gallery, because I am quite sure Mr. Manning would be as discouraged over any such move as is Mr. Bennett over another move along that line to which hon. members have made reference regarding British Columbia.

Mr. Speaker, to begin with may I say that having regard to the contents of the press release which we are supposed to be debating, the method chosen by the United States state

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department is, I think, unparalleled in the long history of relations between our two countries. In fact, it constitutes an unwarranted interference in our national affairs—

Some hon. Members: Hear, hear.

Mr. Harkness: —an interference that must be deplored in the strongest possible terms. I find it extremely hard to understand the course of action the state department has adopted, since it would seem elementary that such a course could only cause a needless obstacle to our efforts to reach an agreement on matters vital to the national security of both our countries. Of course, we must recognize that differences of opinion do arise from time to time between even the best of neighbours. But there are recognized methods and procedures of resolving such difficulties. Such methods as the state department has seen fit to utilize are not among them. Hon. members know that criticism from one's own nearest neighbour in our every day lives is usually resented by everyone, even when it is given in private. But when such criticism is given in public it can only do damage. I trust we shall have no more instances of this sort.

There has been a terrific amount of rumour and speculation in the past few days in connection with defence and other matters, some of which have been referred to by the hon. member for Burnaby-Coquitlam (Mr. Douglas). I suppose it is only to be expected that such would be the case. But what surprises me is this—that attention should be paid to these speculations, rumours and so forth. As a good example, I find in tonight's *Citizen* a story by Bruce Phillips, an old friend of mine, in which he says "Man in the middle of the disarmament tug of war, Mr. Harkness, is reported close to collapse." Mr. Speaker, I ask every member of this house if I appear to be a man who looks, talks or acts as though he were on the point of collapse? I may say that this story reminds me of a well known saying of Sir Winston Churchill—"some chicken, some neck" which I paraphrase in these circumstances as "some story, some collapse." But this is symptomatic of the sort of thing which has been going on for the past several days.

As I say, I find it hard to understand why so much credence should be given to rumours, speculation and things of that kind. The same amount of credence should be given to them as should be given to the story I have just mentioned, which is typical of the kind of thing we have been hearing.

An hon. Member: Don't collapse.

[Mr. Harkness.]

Mr. Harkness: Do not worry, my friend. I know there is a doctor in the house and he will look after you if you need him.

Assertions have been made, particularly by the Leader of the Opposition (Mr. Pearson), both today and previously, both in this house and out of it, that I have contradicted the Prime Minister (Mr. Diefenbaker). The hon. gentleman is not the only one who has made such assertions. It is simply not true. I would like to make that as flat and definite as it is possible for me to make it.

Mr. Chevrier: It is flat, all right.

Mr. Harkness: Hon. members over there like to have their little joke but often they go somewhat beyond joking with regard to this matter. I think they should realize we are discussing a subject of some seriousness. I should like to outline exactly what the situation is so that there will be no question and no doubt about it. I complained to certain pressmen about the interpretation which had been given in the newspapers to the speech which the Prime Minister had made—an interpretation which, I believe, was unwarranted. When I got up on Saturday morning I was met with a headline: "$700,000,000 worth of weapons carriers to be scrapped". As I said immediately, there had never been any intention of scrapping the aircraft we had bought. As a matter of fact, such an interpretation is completely ridiculous. We secured, to give the latest example, some 66 F-101 or Voodoo planes not very long ago at which time it was stated that they would be armed as we secured them with conventional weapons. We are using them in that form. Any idea that they would be scrapped, or that the other weapons carriers would be scrapped, bear no relation to the facts whatever.

In any event, the interpretation which was placed on the Prime Minister's speech was a completely erroneous one. It was one which I believed it was my duty to deny as soon as possible, and I think other members of the house shared this view. I mentioned this matter to the reporters with whom I talked, and later, in what has since become a well known statement issued to the press, I drew attention to a particular part of the Prime Minister's speech which some of those people had apparently neglected even to read. They were trying to read into this speech something in connection with the scrapping of nuclear weapons carriers and things along those lines, that were never there and never intended to be there. What I did, as a matter of fact, was to put down in my own words, which are naturally different from the Prime Minister's words—everybody's words in connection with these things are not exactly alike—what the Prime Minister had said.

Some hon. Members: Oh, oh.

Mr. Harkness: I put down absolutely nothing which is not contained on page 3136 of *Hansard*. I would just like to read what is stated there in order to demonstrate that to be a fact.

On page 3136, about half way down the left-hand column, the Prime Minister is reported as saying:

> What course should we take at this time?

This is in connection with nuclear weapons, and so on.

> I emphasize what I have already stated, that we shall at all times carry out whatever our responsibilities are.

An hon. Member: What are they?

Mr. Harkness: I turn now to the next column. The Leader of the Opposition interrupted, of course, but we find a statement beginning near the top of the page:

> Following SACEURS's recommendation, as we saw the situation in 1959 and as I said earlier in my remarks, we undertook to equip our squadrons assigned to NATO for the strike reconnaissance role, which role would include the mission of delivering nuclear weapons. No one was under any misunderstanding in that connection. Parliament approved this program and appropriated the funds.

To continue; there were three which I wish to deal with. The first was in connection with our obligations, which I have dealt with. The next was in connection with the F-104's. The Prime Minister said, on this point:

> Delivery of the F-104G has commenced, but the strike reconnaissance role has been placed under doubt by the recent Nassau declaration concerning nuclear arms as well as other developments both technical and political in the defence field. It would be necessary, therefore, at this meeting in May for Canada to give consideration to this matter and we will, in co-operation with the nations of NATO, undertake a clarification of our role in NATO defence plans and disposition.

The Leader of the Opposition is always talking about my having clarified the Prime Minister's speech. I never used the word "clarification". I had no such word in mind. The only place where clarification occurs is right here. I have just read it. The Prime Minister's statement goes on:

> We are united in NATO. We have never and will never consent to Canada breaking any of her pledged words or undertakings. It is at that meeting, where there will be reviewed the entire collective defence policy, that we shall secure from the other member nations their views, and on the basis of that we will be in a position to make a decision, a consistent decision, first to maintain our undertakings and secondly to execute, if that be the view, the maintenance of our collective defence. In the meantime the training of Canadian forces in the use of these weapon systems can continue.

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There is absolutely nothing in my statement in connection with that matter which is not contained in the passage I have just read.

Then the Prime Minister went on to deal with NORAD.

> So far as NORAD is concerned I have said at the beginning of my remarks that Canada's sovereignty must be maintained. We shall continue our negotiations. They have been going on quite forcibly for two months or more.

Then the Prime Minister turned to me and I said "For two or three months". The Prime Minister continued:

> Yes, they have been going on for two or three months. Sometimes I wonder whether that is the reason the Leader of the Opposition rushed in with his statement the other day, because he found that out and knew about it. But there was never any concealment of the fact. We will negotiate with the United States so that, as I said earlier, in case of need nuclear warheads will be made readily available.

Mr. Speaker, I defy anybody to find anything in my statement which is not contained in what I have just read.

Mr. Martin (Essex East): Mr. Speaker—

Some hon. Members: Sit down.

Mr. Harkness: I think I have the floor.

Mr. Martin (Essex East): I will accept that defiance right now.

Mr. Speaker: The minister has the floor and no one can force his way on to the floor.

Mr. Chevrier: He is asking a question.

Mr. Harkness: The loquacious and excitable member for Essex East finds it extremely difficult to keep the seat of his pants on his chair when he gets excited. I do not wonder that he is excited, because he has found out, and knows it is the truth, that all the allegations that he and his leader have been making in this connection are completely false.

Now, I think I have dealt with that matter. However, there is one point that the Leader of the Opposition brought up. He tried to make out that there was a contradiction between the Prime Minister and myself, that I had said something which he did not say, and so on and so forth. He was referring to the fact that I had mentioned in this statement our squadrons of Bomarcs and our F-101 interceptor squadrons. Then he referred to page 3133 of *Hansard*, part of the Prime Minister's speech. On that page and the preceding page the Prime Minister was referring to the statement which had been made when the F-101's were acquired; and at the very end of the statement at the top of page 3133 he said:

> These aircraft, title to which will be vested in Canada, will be armed with conventional weapons.

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I said that the Prime Minister had read the statement which was made when we acquired these aircraft and when the announcement was made. On page 3136 of *Hansard*, when the Prime Minister was dealing with NORAD, he was speaking of the negotiations which we had been carrying on. I was also speaking of the negotiations which we were carrying on.

The hon. member for Burnaby-Coquitlam (Mr. Douglas) is trying to make out that there is a contradiction here as well, and that there is no mention, as far as the Prime Minister was concerned, of Bomarcs, F-101's, and so forth. What the Prime Minister stated concerned NORAD; and the two weapons systems we have as far as NORAD is concerned which are capable of carrying nuclear warheads are the Bomarc and the F-101's. They are the only ones we have. Therefore, when you are talking of NORAD, they are the things about which you are negotiating. That is all there is to that contention.

Mr. Douglas: May I ask the minister a question?

Mr. Harkness: I will be quite happy to take a question when I have finished.

As I said at the beginning, the reason for this debate was the statement made by the United States. I think we must all realize that the security of the western world is dependant on the co-operation of the NATO countries, all 15 of them. Anything which disturbs that co-operation and disturbs relations amongst the 15 countries of NATO is not a good thing for any one of those countries. I should like to point out, however, that there have been other cases than the unfortunate one we are now discussing. I do not think I need point any fingers; it is never wise, I think, to point any finger at a particular country in Europe. However, everyone here is aware of the fact that the maximum of co-operation and exchange of views has not always prevailed as far as some of the European countries who are members of NATO are concerned. But I think the important thing is that the NATO alliance, that great alliance of the countries of the west, be maintained because on it depends the security of all of the free world.

Now I should like to deal briefly with some of the remarks made by the three hon. gentlemen who have preceded me in this debate. First of all there was the speech of the Leader of the Opposition. I must say that it reminded me of a story they tell about Paddy Nolan, who was a famous lawyer in the early days in Calgary and of whom Your Honour has no doubt heard many stories. Poor Paddy was in the hospital on one occasion. The nurse brought him in his meal. He looked at it and said: "That's a dog's breakfast". Then he said: "Will it keep?" "Yes, sir", said the nurse. "Well then," said Paddy, "keep it". I think that story describes the hon. gentleman's speech pretty well. It was a dog's breakfast and he should have kept it.

An hon. Member: It won't keep.

Mr. Harkness: I must say that he did give us some high-sounding rhetoric, which did not mean very much, however, after the dinner adjournment when he had managed to get something written out along that line. As to some of the statements he made, he stated—and I have already dealt with this—that I had contradicted statements made by the Prime Minister. I think there is no doubt about the situation there. Such a thing did not take place. He complained about the disclosure of the negotiations, and immediately after he was pounding his desk and saying that every detail in connection with these negotiations must be revealed to the House of Commons.

Mr. Pearson: I never said any such thing.

Mr. Harkness: Surely he cannot expect to have it both ways. I would ask him, how is that for a contradiction? I think it would qualify very highly. He also mentioned something about the Nassau agreement in connection with this statement issued by the United States state department. The Prime Minister was at this meeting and he has certain opinions in connection with this matter which he expressed. It is quite evident that his opinions and the opinions of the people in the state department who issued this press release are not the same; but this is a matter of opinion, not a matter of fact. It is a question of what the Prime Minister believes is the situation and what the authors of this particular statement apparently believe is the situation. This does not mean that there is anything very serious in the way of what the Leader of the Opposition I think called a great contradiction and so forth.

The Leader of the Opposition stated, "We want the facts, all the facts, about the defence policy of Canada". Mr. Speaker, may I say that I have been giving these facts for the past two years or more. Moreover, when the estimates of the defence department come before this House of Commons, and I hope they will do so very shortly, I shall be delighted to answer any of the questions members wish to ask in regard to defence.

I can only think back to the last time when the estimates on defence were before the House of Commons some considerable time ago. If anybody reads that record I think he

will find that there were not too many intelligent questions asked from across the floor with regard to defence matters.

The hon. member for Red Deer said this, "What we want is a statement of what the defence policy is". Mr. Speaker, I think I shall have to send him copies of *Hansard* for the period when defence was up for debate and the estimates were being gone over the last time, and perhaps a few of the speeches out of the dozens I have made across this country on defence policy during the last two years or more.

Mr. Thompson: Send them to the press and across the country too.

An hon. Member: Send us a policy.

Mr. Harkness: I have been stating defence policy and have been doing so in very definite terms all during the more than two years that are past. This cry "We do not know what the defence policy is" and so on is, I think, due entirely to the fact that they refuse to read anything that has been said, or that they refuse to accept anything that has been said about it. They just want to go around in circles.

The hon. member for Burnaby-Coquitlam gave the usual type of anti-nuclear speech which characterizes his party. All I can say in connection with it is that every time I hear one of these speeches or every time I read one the impression is borne in on me more and more forcibly that these hon. gentlemen have never understood the situation or that, if they have understood it, they have certainly concealed that fact very well. I do not propose at the present time to go into all the arguments in connection with that matter.

Some hon. Members: Oh, oh.

An hon. Member: Tell us what the policy is.

Mr. Harkness: The hon. member for Burnaby-Coquitlam went on to say, "What are the obligations? We were not told what these were". I have referred to the Prime Minister's speech. I wish he would read it again. I wish he would study it. If he would do that, he would find out what the obligations are. I do not know how often it is necessary to state these things in order to penetrate the skulls of some people. However, that is the situation.

Some hon. Members: Oh, oh.

Mr. Harkness: These hon. gentlemen do not like this speech. I have often observed that there is nothing that hurts like the truth. The statement which was made by the hon. member for Burnaby-Coquitlam, and which I think everyone will recognize as having no validity, was that the policy of the government is not materially different from that of the Liberal party. May I say, Mr. Speaker, that our policy throughout has been and is at the present time so different from that of the Liberal party that I find it difficult to understand how the hon. member could make that sort of statement. The Liberal party has been right around the complete circle with regard to this matter. Nobody ever knew from day to day where they stood on it and we do not yet know. I think everybody was delighted when the Leader of the Opposition about two or three weeks ago finally made what looked like a definite statement, so that we would at least know where he stood; but as soon as he made it he began to draw back from it, retreat from it, qualify it, and change it around so that we are back in the same old position in which we have been right through the piece. We do not know where the Liberal party stands or where the Leader of the Opposition stands. He just will not take a position and stand by it. That is all there is to it. This procedure, I am afraid, has characterized his so-called stand in connection with almost every subject with which he has dealt. On the contrary, we have followed a clear and responsible policy.

Some hon. Members: Oh, oh.

Mr. Harkness: I repeat, Mr. Speaker, that we have followed a clear and responsible policy for the past five years. It has been explained in very considerable detail. We shall continue to follow that policy.

Mr. Pearson: I wonder whether the minister would permit a question before he sits down, although I may say that he has sat down.

Mr. Harkness: Yes.

Mr. Pearson: Will he now tell us what the nuclear defence policy of the government is?

Mr. Harkness: Mr. Speaker, I am beginning to think that no matter what one says with regard to these matters, or no matter how clear the words or how clear the terms, the Leader of the Opposition will refuse to understand. In fact, I think only God will put sense inside that head.

Hon. Paul Martin (Essex East): Mr. Speaker, we are all agreed in this house that Canada must determine its own foreign policy, that it must be master of its own defence policy and that we must exercise all the sovereign power capable of being exercised by a sovereign state in this period of interdependence. On this question there is no issue between any of the political parties in this house. However, there is an issue as to the extent to which we have been informed by this government

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of its defence policy, its attitude toward the acquisition of nuclear weapons, and our full role in NATO and in NORAD. It is regrettable that, as a result of the speech to which we have just listened, by the Minister of National Defence, the first statement on national defence by this minister in a long time, we are no further ahead in our demand for a full statement of defence policy.

It has been difficult for us to get this debate. The Leader of the Opposition has repeatedly, as have other leaders and other members, asked this government to give this house an opportunity to discuss defence policy. The Leader of the Opposition in particular has asked that there be set up a defence committee so that we could ascertain the facts about a matter of such consequence to this country—

Mr. Diefenbaker: A defence policy committee?

Mr. Martin (Essex East): —to this parliament and to our contribution in the free alliance of nations. The difficulties for debate which we have had today could all have been avoided if the government, recognizing our right to information on defence, had removed from this house the necessity of the procedural wrangle which lasted several hours. We should have had this debate when the request for it was made this afternoon at 2.30 following publication of the statement of the state department last night shortly after six o'clock.

Mr. McPhillips: You want to dance to Uncle Sam.

Mr. Martin (Essex East): My hon. friend says that we want to dance to Uncle Sam. We have already dealt with that. We want to dance to our responsibilities to the Canadian people in defending the free world against the challenge which faces us.

The Minister of National Defence talked about unity in the cabinet. They all speak the same language. He asserts there is no difficulty with regard to the positions of the Prime Minister, the Secretary of State for External Affairs and himself. He says nothing, of course, about the views of the Associate Minister of National Defence. We know what the views of the Secretary of State for External Affairs are. He said in a speech in Vancouver on December 4:

> There has been no change in policy—that is to decline nuclear weapons until there is a deteriorating world situation or war.

On January 25 the Prime Minister said in this house:

> More nuclear arms will add nothing materially to our defences.

That is the statement of the Prime Minister. Then, on the 28th of January in the release, in the statement of interpretation—the minister does not like the word "clarification"—the Minister of National Defence said that the government is committed to a definite policy for the acquisition of nuclear arms. These excerpts, and I am going to come to more extended ones, clearly indicate that the challenge of the Minister of National Defence is answered, because there is and there continues to be in the very statement he made tonight a clear division of opinion between himself and the statements the Prime Minister made in this house last Friday.

I suggest to you, Mr. Speaker, that the fact that the Minister of National Defence issued a press release, resorting to that extraordinary action, indicates in itself a serious division of opinion between the Prime Minister and himself as Minister of National Defence. Otherwise, why issue a statement.

Mr. Balcer: He just explained it.

Mr. Martin (Essex East): Otherwise, why issue a statement? Surely the Minister of National Defence could have met the press, could have been subjected to questions, could have referred the reporters to specific responses of the Prime Minister. But he issued this statement on Sunday last because, I suggest—

Mr. Fleming (Eglinton): It was not Sunday.

Mr. Martin (Essex East): —there was a serious division between the Minister of National Defence and the Prime Minister to the point that the Minister of National Defence had threatened to resign over the week end. I challenge the minister to deny that statement.

Let us take the minister's statement and see whether or not there are any contradictions. Here is what the Prime Minister said last Friday, as found at page 3136 of *Hansard*, the page mentioned in the press release of the Minister of National Defence. Here is what the Prime Minister said among other things as reported in the left-hand column on that page:

> What course should we take at this time? I emphasize what I have already stated, that we shall at all times carry out whatever our responsibilities are. I have said that strategic changes are taking place in the thinking of the western world, and there is general recognition that the nuclear deterrent will not be strengthened by the expansion of the nuclear family.

Listen to this.

> With these improvements in the international situation, this is no time for hardened decisions that cannot be altered. We must be flexible and fluid—

An hon. Member: What is wrong with that?

Mr. Martin (Essex East): I will tell you what is wrong. Here is what the Minister of National Defence said, referring to the speech of the Prime Minister:

In the speech nearly all the varying theories and ideas which have been put forward on nuclear arms were mentioned, but the definite policy of the government is contained in a few paragraphs which appear in the right hand column on page 3136 of *Hansard* for January 25th.

Here is what is wrong. Here are the words of the Minister of National Defence, and let them be contrasted with these expressions of fluidity and flexibility, this taking of all kinds of positions. Here is what the Minister of National Defence said:

Those paragraphs state a definite policy for the acquisition of nuclear arms in these terms.

Mr. Sevigny: Read on.

Mr. Martin (Essex East): The minister said that those paragraphs of the Prime Minister's speech clearly indicate that the government is in favour of a definite policy for the acquisition of nuclear arms.

An hon. Member: Do you agree with that?

Mr. Martin (Essex East): That is not the point. I will tell you what I think later. What I am doing now is to discuss something more important, the views of the government of Canada with regard to so vital a matter. There were no hardened positions in the statement of the Prime Minister, but there was a hardened position in the statement of the Minister of National Defence. There is no doubt where he stands. If there was any doubt before last Sunday it has been removed by this release. He stands for the acquisition of nuclear arms and the Prime Minister does not state any position at all except I must say, in fairness, that he does observe that after the NATO ministerial meeting, an opportunity will be given, in the light of a flexible and fluid situation, to arrive at a policy. That is the position. I contrast these two positions. I challenge any hon. member opposite to say that this does not represent a fundamental difference of approach and view by these two members of the government.

Mr. Balcer: It is all in your mind.

Mr. Martin (Essex East): Here is another contradiction. The Minister of National Defence says in his release:

Third, so far as NORAD is concerned, Canada has been negotiating with the United States for the past two to three months in order that nuclear warheads will be made available for our two squadrons of Bomarcs and for the F-101 interceptor squadrons. These negotiations will be continued in order to reach a satisfactory agreement. I believe such an agreement can be arrived at in the near future.

It must be emphasized that in what I have read the minister says:

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—so far as NORAD is concerned, Canada has been negotiating with the United States for the past two to three months in order that nuclear warheads will be made available—

There is no qualification—"will be made available". That is not what the Prime Minister said. As found on page 3136 of *Hansard*, the Prime Minister said:

We will negotiate with the United States so that, as I said earlier, in case of need nuclear warheads will be made readily available.

Mr. Sevigny: What is the difference?

Mr. Martin (Essex East): My hon. friend says "what is the difference". In the one statement the adverb "readily" appears and that suggests that if the government wishes nuclear weapons they will be readily available. But that is not what the Minister of National Defence (Mr. Harkness) said. He said we are negotiating towards a situation that will make nuclear weapons available to Canada. If my hon. friend does not understand that language, then I want him to know that I am sure the vast majority of the people of Canada will see in this statement, as contrasted with that of the Prime Minister (Mr. Diefenbaker), a further contradiction which reveals the situation under which the Minister of National Defence finds himself tonight, and the situation that he found himself in during the week end when he threatened to resign from this government over differences with the Prime Minister and some of his colleagues.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): I might well ask the Associate Minister of National Defence (Mr. Sevigny), who has a responsibility as associate minister, what his views are. We saw a story in today's press to the effect that the Associate Minister of National Defence was complaining about the release made by his colleague, who was endeavouring to put his interpretation on the remarks of the Prime Minister.

(Translation):

Mr. Sevigny: Mr. Speaker, I rise on a question of privilege.

I wish to assure hon. members of this house that I have never complained to anyone about the statements made by my colleague the minister of defence—

Mr. Speaker: Order. I do not think there is here any basis for a question of privilege. The minister could make his point if there were a dispute at this time, but there is now no basis for a question of privilege.

(Text):

Mr. Martin (Essex East): Mr. Speaker, if the Associate Minister of National Defence feels that his views should be made known,

U.S. State Department Press Release

I think he may feel certain that this house will welcome his participation. We regard as part of his responsibility—

Mr. Sevigny: You will get it, and you will regret it.

Mr. Martin (Essex East): —that he should tell us if he shares the views of the Minister of National Defence or those stated by the Prime Minister on Friday last. This is his obligation and his duty, certainly, as Associate Minister of National Defence.

(Translation):

Mr. Sevigny: There is no disagreement between us.

(Text):

Mr. Martin (Essex East): We have expressed our view on the propriety of the form of intervention exercised by the United States with regard to its reaction to the debates of this house, and particularly to the statement of the Prime Minister.

Mr. Diefenbaker: You are building your argument on them.

Mr. Martin (Essex East): What is that?

Mr. Diefenbaker: I say to you, you are building your argument on statements made by those people in the United States.

Mr. Pearson: Those people?

Mr. Martin (Essex East): I am sure the Prime Minister will agree, on reflection, that he—

Mr. Speaker: Order; I hope we do not have quite so many interventions, in order that we may get along.

Mr. Martin (Essex East): I am sure the Prime Minister will agree, on reflection, notwithstanding the provocation, that he will find it unsatisfactory, as Prime Minister, to have referred to the people in the United States as "those people". We do not agree with the United States on all its policies, but we are bound with them in a supreme and challenging task, that is to be joined with them, with the United Kingdom and the other NATO countries, in seeking the preservation of our freedom and unity.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): We have a right to ask the Prime Minister, we have a right certainly to ask the Minister of National Defence to comment on a statement which was given by the United States in a manner that is not in conformity with recognized international intercourse.

Mr. Diefenbaker: You are accepting all the criticisms.

Mr. Martin (Essex East): This statement indicates that the state department has received a number of inquiries concerning disclosures during the recent debate in the Canadian House of Commons regarding negotiations over the past two or three months. The Prime Minister, on another occasion has spoken of unity in NATO and the necessity for maintaining that unity. The Prime Minister, however, in some gratuitous remarks made today, and which he made during his speech on Friday, did not take into consideration the implications of his words, in so far as other NATO members were concerned, not the great powers of NATO but some other countries, of the stature of Canada who are vitally affected by some of the implications made by the Prime Minister.

Mr. Herridge: Which countries?

Mr. Martin (Essex East): There are many countries, such as Norway. What about Norway? What about Belgium? What about the other countries who may be embarking on important negotiations now with the United States?

An hon. Member: Guess again.

Mr. Martin (Essex East): My hon. friend says, "guess again". I know why he says that. He does not believe in NATO.

Mr. Berger: Mr. Speaker—

Some hon. Members: Sit down.

Mr. Berger: Mr. Speaker, I rise on a question of privilege. I may say I resent the cheap, political insinuations made by the hon. member.

Mr. Martin (Essex East): I sincerely trust that, having heard tonight from the Minister of National Defence we will not wake up tomorrow morning and see in our newspapers a release by the Prime Minister interpreting the speech of the Minister of National Defence.

Mr. Speaker: It is now ten o'clock, and by standing order this debate has come to an end.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I inquire from the house leader what the business will be for tomorrow and next week?

Mr. Churchill: Tomorrow we will continue with the estimates of the Department of Labour and catch up on time by dealing with the estimates of the Post Office Department as well.

Mr. Chevrier: May I inquire what it will be for Monday?

Mr. Churchill: I have already announced a supply motion for Monday.

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

HOUSE OF COMMONS

Friday, February 1, 1963

The house met at 11 a.m.

PRIVILEGE

MR. HOWARD—RESPONSIBILITY OF JUSTICE MINISTER UNDER BILL OF RIGHTS

Mr. Frank Howard (Skeena): Mr. Speaker, I rise on a question of privilege affecting this house and every member of it. My question of privilege involves the failure or neglect on the part of the Minister of Justice to discharge a responsibility and a duty which parliament gave to him. That responsibility and duty is that which is contained within section 3 of the bill of rights and the regulations made with respect to section 3.

I wonder whether I should read to you the relevant part of section 3 of the Canadian Bill of Rights, which is as follows:

> The Minister of Justice shall, in accordance with such regulations as may be prescribed by the governor in council, examine every proposed regulation submitted in draft form to the clerk of the privy council pursuant to the Regulations Act and every bill introduced in or presented to the House of Commons, in order to ascertain whether any of the provisions thereof are inconsistent with the purposes and provisions of this part and he shall report any such inconsistency to the House of Commons at the first convenient opportunity.

The regulations pursuant to that section provide the mechanics for dealing with bills presented to or introduced in the House of Commons, and regulation P.C. 1960/1792 sets up the procedure and allows in clause 3(b) of the regulation that the minister shall:

> —cause to be affixed to each of the copies thereof—

—that is, copies of bills—

> —so received from the Clerk of the House of Commons a certificate, in a form approved by the minister and signed by the deputy minister of justice, stating that the bill has been examined as required by the Canadian Bill of Rights.

Mr. Speaker, the total number of bills introduced in the House of Commons this session prior to yesterday was 109. Of those bills, the period of time which elapsed between their transmission by the Clerk of the House of Commons to the Minister of Justice and their return to the Clerk with the affixed and approved stamp on the front of them, indicating that they had been examined pursuant to the bill of rights, was statistically as follows. There were six of those bills in which the time which elapsed was only one day. There were 40 of those bills in which the period of time which elapsed was two days. There were 19 of them in which the period of time which had elapsed was three days. There were 16 bills in which the period of time which had elapsed was four days. Ten of them took five days. Five of them took six days. Three consumed a period of eight days. One of them took 13 days. Another one took 14 days; and six of them had no indication of the number of days on the approved stamp affixed to the front of the bill, although there was an indication that they had been received back by the House of Commons in a period of time not longer than eight days.

Even with respect to the one which took 13 days and the one which took 14 days to examine, that was over the Christmas and New Year's holiday. Hence we can extract from that figure a reasonable number of days upon which the people were not working and thus were not examining bills.

There is one bill which was introduced on October 1 of last year, at the start of this session, and which has not been so returned and, I submit, has not been examined as required by section 3 of the bill of rights. That date is 123 or 124 days ago. That bill is C-14, an act respecting Indians, one which I myself submitted.

I submit to you, Mr. Speaker, that this question of privilege is that the Minister of Justice, either by failure or neglect, has not examined that particular bill and has not, as is required by the bill of rights, returned it to the House of Commons. Accordingly, based upon that premise, it is a prima facie case of privilege and I move as follows, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

> That the standing committee on privileges and elections be authorized and instructed to inquire into and study the responsibilities attendant upon the Minister of Justice by virtue of section 3 of the Canadian Bill of Rights and whether those responsibilities were properly carried out with respect to Bill C-14, an act respecting Indians.

Mr. Speaker: Order. At the moment I am not even considering whether this is a prima facie case of privilege.

Question of Privilege

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, it is very hard to find in what the hon. member has said anything which bears very much resemblance to the case he is trying to make out. It is about as far fetched a presentation of a question of privilege as this house is likely to see.

First of all, may I say that there was no intimation to me at any time by the hon. member that he was concerned about any aspect or delay in relation to the review and certification by the deputy attorney general under the regulations in relation to any measure. The review by the hon. member of a statistical nature I think points to the fact that, in the midst of a session in which the deputy attorney general is carrying other very heavy responsibilities, the certification of bills in the form prescribed has been carried out with efficiency and celerity.

After wandering over the whole sessional program and over 100 measures the hon. member finally came around to the burr that apparently was under his collar. He finally referred to Bill C-14, his own bill. Before any hon. member pays any attention to or takes seriously what has been said by the hon. member this morning, I suggest that reference might be made to what was said on October 1 in relation to this bill when the hon. member sought to introduce it. Some discussion on this question will be found at pages 33 and 34 of *Hansard* when the bill was read the first time.

Let me say very briefly, Mr. Speaker, that the responsibilities which are laid upon the minister by the bill of rights and the responsibilities which are laid upon the deputy minister of justice and deputy attorney general by the regulations passed in pursuance of the bill of rights have been fully and faithfully discharged.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, this appears to us to be a matter of pretty serious import—

Some hon. Members: Oh, oh.

Mr. Pearson: A breach of the law; that is all.

Mr. Chevrier: —more particularly because of the fact that the bill has been held up from October 1 until now, and my suggestion to you, sir, is that this matter be taken under advisement.

Mr. Martin (Essex East): Particularly because of the violation of the act by the Minister of Justice.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I think there have been quite sufficient extraneous comments. This matter will be taken under advisement by the Chair. I should like to indicate to the hon. member for Laurier that he may not have been here on the occasion when this bill was called in November was not proceeded with and was dealt with under the rules, but in so far as the question raised by the hon. member is concerned I will take it under advisement and will make a ruling in due course.

[Mr. Speaker.]

(Translation):

ROYAL CANADIAN MINT

AGREEMENT WITH COBALT REFINERY FOR SILVER BULLION

Hon. Paul Martineau (Minister of Mines and Technical Surveys): Mr. Speaker, I wish to inform the house that the governor in council has approved the treasury board recommendation to authorize the director of the Royal Canadian Mint to reach an agreement with the Cobalt Refinery Limited of Toronto, Ontario, for the supplying of silver bullion.

The agreement would become effective on April 1, 1963, and would be for a period of five years. It stipulates that Cobalt Refinery will deliver to the mint from 2 to 6 million ounces of silver per year, at competitive prices to be determined by negotiation every year the agreement is in force.

Cobalt Refinery Limited operates a silver refinery at Cobalt, Ontario. Its contract with the Canadian mint will enable it to buy larger quantities of silver ore concentrates already produced in the Cobalt and Gowganda districts. Since the closing of the Deloro Silver Refinery in 1961, those concentrates have been shipped to other countries to be refined.

It is expected that the transaction will help maintain in operation a new silver ore processing plant in Canada and that it will also benefit the mining operations in that region of Ontario.

(Text):

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I wish to thank the minister for the statement he has just made. I believe that recognition of the silver treating plant at Cobalt will prove advantageous, in that there has always been some regret that the silver we produce in Canada has had to be processed in the United States. I know that the people of the area and particularly the silver producers will certainly appreciate the statement of the minister. It is to be hoped that on the strength of what is now available under this agreement Canadian producers will be able to send all their silver to this refinery for treatment.

EXTERNAL AFFAIRS

SUGGESTED MEETINGS OF JOINT U.S.-CANADA COMMITTEE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether he proposes to call together the Canada-United States ministerial committee on defence which was set up by the present government and which last met in July, 1960, in order to discuss current joint defence problems between the two countries.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, no consideration has been given to that matter.

Hon. Paul Martin (Essex East): May I ask the Prime Minister if he will take up with Mr. Speaker the suggestion of Senator Aiken of Vermont, which appears in today's press, that the parliamentary-congressional committee be called to discuss Canadian-American problems?

Mr. Diefenbaker: Mr. Speaker, that committee has done great work in bringing about good relations. The government has nothing whatever to do with the committee. Any discussions that take place in that connection are the result of arrangements between you, Mr. Speaker, the organization here and the organization in Washington.

INDIA—SITUATION RESPECTING JOINT AIR DEFENCE MISSION

On the orders of the day:

Mr. Ralph B. Cowan (York-Humber): I wish to direct a question to the Secretary of State for Exernal Affairs and ask him if amicable relations still exist within the joint Canada-United States air defence mission which is now in India investigating air defence problems in that country, with instructions to report back.

Hon. Howard C. Green (Secretary of State for Exernal Affairs): That is a commonwealth-United States mission, and it is carrying on its work in the normal way.

U.S. STATE DEPARTMENT PRESS RELEASE—CANADIAN NOTE

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Secretary of State for External Affairs if any formal note, or any note, has been sent by this government to the United States in answer to the release of the U.S. state department of the night before last.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, this is obviously an attempt to continue on the orders of the day the debate which took place yesterday.

Mr. Speaker: Order. I do not think there should be comment on questions.

Mr. Martin (Essex East): Is the answer "No"?

Mr. Green: Perhaps I could finish my answer. The question has the significant feature I mentioned, also another, which is that the Liberal party is still following—

Mr. Speaker: Order. This is quite wrong.

Mr. Martin (Essex East): No protest by the government.

TRANSPORT

RAILWAY BRANCH LINES—MEETING WITH PROVINCIAL PREMIERS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Prime Minister. Will he inform the house whether the meeting with the provincial premiers concerning rail line abandonment has been concluded, and if so whether an agreement on the approach to this question has been reached?

Right Hon. J. G. Diefenbaker (Prime Minister): The answer to the first part of the question is no, so the second part does not apply.

ARTS, LETTERS AND SCIENCES

INVITATIONS TO PROVINCES TO ATTEND BICULTURAL CONFERENCE

On the orders of the day:

Mr. Horace A. Olson (Medicine Hat): I should like to direct a question to the Prime Minister and ask him whether the invitations have been extended to the provinces to attend a bicultural conference, whether the have gone out as yet?

Right Hon. J. G. Diefenbaker (Prime Minister): As the hon. gentleman will recall, a question was asked yesterday, I think it was by the hon. member for Burnaby-Coquitlam, and I advised on Monday I would be making a statement in this regard. At that time the whole situation will be placed before the house.

Inquiries of the Ministry

BUSINESS OF THE HOUSE

INQUIRY AS TO FURTHER INTERIM SUPPLY

On the orders of the day:

Mr. Walter L. Gordon (Davenport): Mr. Speaker, I should like to ask the Minister of Finance a question. Since the government spending authority in terms of ten months' interim supply expired at midnight last night, will the minister say if and when he intends to ask this house for further interim supply?

Hon. George C. Nowlan (Minister of Finance): I think that would be a matter, Mr. Speaker, to be determined by my colleagues and announced by the house leader in due course.

(Translation):

TRADE

WORLD FAIR—APPOINTMENT OF DIRECTORS

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to address a question to the Associate Minister of National Defence. Could he explain the delay in appointing the directors of the Canadian World Exhibition Corporation whose appointments he said were to be announced some ten days ago?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, in answer to the question put by the hon. member for Laurier, I wish to tell him that the names of the directors of the world exhibition will be announced early next week. There has been no delay in these appointments which required discussions between the three levels of government concerned, that is the federal government on the one hand and, on the other the provincial government and the authorities of the city of Montreal.

Mr. Speaker, with the permission of the house, may I say also, in relation to that world exhibition, that contrary to statements which are found in some newspapers there is no delay in the setting up of the organization in charge of preparing that exhibition.

I shall be very brief, Mr. Speaker.

Invitations have been sent to all countries interested in that exhibition. Town-planners' studies respecting selection of a site are in progress, and we think that as early as next week we will be able to give precise details to the public, who seem to show a keen

interest for all matters related to that world exhibition.

Mr. Chevrier: Mr. Chairman, may I ask a supplementary question following the long answer the minister has just given to a short question?

May I suggest to the minister to pay close attention to rumours going around at the present time to the effect that the appointments will all be of a political nature. I hope that he will see to it that such is not the case.

Mr. Speaker: Order. I am of the opinion that it is out of order to make remarks of that kind.

(Text):

FISHERIES

REFERENCE TO COMMITTEE OF REPORT OF NORTH PACIFIC COMMISSION

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Minister of Fisheries if any progress has been made in the matter of referring the recommendations of the north Pacific commission to the committee on marine and fisheries?

Hon. J. A. MacLean (Minister of Fisheries): I have nothing to add to the answer which I have given on, I think, three previous occasions.

Mr. Frank Howard (Skeena): I wish to direct a supplementary question to the Prime Minister and ask him whether any action has been taken by the government to approve by order in council the two specific recommendations by the international north Pacific fisheries commission that Japan be allowed to fish herring off the west coast of the Queen Charlotte islands and halibut in the Bering sea.

Right Hon. J. G. Diefenbaker (Prime Minister): No, Mr. Speaker.

PUNTLEDGE RIVER, B.C.—WORKS TO PROTECT FISH RUNS

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): I wish to address a question to the Minister of Fisheries. Has the minister received any commitment from the government of British Columbia that they are prepared to see that protective works are constructed on the Puntledge river to protect the fishing runs which are at present being damaged by the installations of B.C. hydro?

Mr. Speaker: I think that question should go on the order paper. It is important, or may be important, locally, but it is a matter of detail.

DEFENCE PRODUCTION

COMPARATIVE EXPENDITURES BY U.S. AND CANADA

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to address a question to the Minister of Defence Production. Is the minister in a position to tell the house whether U.S. expenditures for defence production in Canada in 1962 were greater than Canadian expenditures for defence production in the United States in the same period?

Mr. Speaker: Order. I think the hon. member will recognize that this is a question which should be on the order paper. I do not think it is absolutely urgent that we have the information at this present time.

Mr. Badanai: Mr. Speaker, on a point of order, I notified the minister of my intention to ask the question and I think the minister has the answer.

Mr. Speaker: The decision is still left to the Chair in these matters.

TRADE AND COMMERCE

INFORMATION SUPPLIED TO BUREAU OF STATISTICS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Minister of Trade and Commerce relative to the present government's policy. Is the minister aware that business firms unable to supply information required by the bureau of statistics have been advised by the bureau to make a guess, as their guess is as good as that of the bureau?

Mr. Speaker: Order. The hon. member is putting forward a certain point of view.

(Translation):

CANADIAN BROADCASTING CORPORATION

PROTESTS RESPECTING TELEVISION BROADCAST "FATHER GEDEON"

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Secretary of State.

Following the many protests I have received concerning the obscene and even pornographic character of the television programs of January 17 and 20 entitled "Le petit monde du père Gédéon"—

Inquiries of the Ministry

Mr. Speaker: Order. I cannot allow the hon. member to go on with his question, since some members have wanted to ask similar ones this week and I suggested that they put them on the order paper.

Mr. Valade: On a point of order, Mr. Speaker.

Mr. Speaker: No point of order may be raised in this regard.

(Text):

POWER

COLUMBIA RIVER—REFERENCE OF TREATY TO HOUSE COMMITTEE

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): I wish to direct a question to the Secretary of State for External Affairs. Will the government consider referring the Columbia river treaty to the external affairs committee of the house for immediate discussion and review?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I have already explained on quite a few previous occasions that before the treaty is ratified it will be referred to the standing committee on external affairs.

Mr. Pickersgill: Will you do it now?

Mr. Arthur Laing (Vancouver South): I have a supplementary question for the Secretary of State for External Affairs. Will he tell us which department of government is currently carrying on negotiations with the government of the United States in respect of the Columbia river treaty?

Mr. Green: Mr. Speaker, that also has been explained in the house on more than one occasion.

Mr. Martin (Essex East): It has never been.

LABOUR RELATIONS

NORRIS COMMISSION—INQUIRY AS TO COMPLETION OF WORK

On the orders of the day:

Mr. Douglas Fisher (Port Arthur): I would like to ask the Minister of Labour whether he has any information on the likelihood of the commission of inquiry into shipping matters on the great lakes being completed by the opening of the navigation season and, if not, whether the minister is planning any particular steps to ensure that we will not have a continuation of labour strife on the great lakes?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, my information is that the commission of inquiry expects to have its work

done prior to the opening of the navigation season on the great lakes. So far as strife or disruption on the great lakes is concerned I must say that in the past few years there has been very little of it.

ROYAL CANADIAN AIR FORCE

REPLACEMENT OF DAMAGED OR DESTROYED F-101 PLANES

On the orders of the day:

Mr. John R. Matheson (Leeds): May I direct a question to the minister of defence. Have provisions been made for replacing wastage in respect of F-101's in the R.C.A.F.?

Mr. Speaker: Order. I think that is a question which should better be placed on the order paper.

TRANS-CANADA AIR LINES

WINNIPEG—INQUIRY AS TO TRANSFERS OF EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. My question is based on the welcome statement he made the other day with regard to transfers of employees from the T.C.A. overhaul base in Winnipeg. Can the minister clarify what will be the position of an employee at Winnipeg seeking promotion in some other area in the system?

Hon. Leon Balcer (Minister of Transport): I am pleased that the hon. member has asked for this clarification, because several inquiries have been made of me following the statement to which he has referred. I wish to say that of course there was no intention to prevent an employee bidding for a position anywhere in the corporation. What I meant by saying there would be no transfer was that there would be no transfer of positions. If a senior employee were to bid for a position outside Winnipeg and was successful, he would be replaced by a junior employee and the position would be maintained. Thus the number of positions in Winnipeg would remain exactly the same until the discussions between cabinet representatives and representatives of the crown can take place and a decision can be reached on this matter.

HEALTH AND WELFARE

INQUIRY AS TO HEALTH PROTECTION IN NORTHERN AREAS

On the orders of the day:

Mr. Thomas R. Berger (Vancouver-Burrard): I should like to address a question to the Minister of Northern Affairs and National Resources. Last week I asked the minister what measures were being taken to protect the health of Canada's Eskimo population in view of the dangerously high levels of strontium 90 in northern Canada. Has the minister anything further to report to the house in connection with this matter?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): As I indicated to the hon. member when this question was asked last week, we have a committee working closely with representatives of the Department of National Health and Welfare. As soon as there is useful information available I shall be happy to report to the house.

Mr. Berger: A supplementary question. Can the minister inform the house whether he has any knowledge at the present time as to when the facts may be available, and the time which is likely to elapse before he can advise the house concerning this situation?

Mr. Dinsdale: I shall be glad to check and give this information to the hon. members.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Mr. Walter L. Gordon (Davenport): I wish to address a question to the Minister of Finance. Will the minister inform the house when he proposes to bring down a budget for the next fiscal year?

Hon. George C. Nowlan (Minister of Finance): I have answered that question on a number of occasions. The last time I did so I believe I said "In due course, and without undue delay".

SECRETARY OF STATE

BRITISH COLUMBIA—REQUEST FOR APPOINTMENT OF RETURNING OFFICERS

On the orders of the day:

Mr. Arthur Laing (Vancouver South): I wish to address a timely question to the Secretary of State. Would the hon. gentleman undertake to see that early appointments are made to fill several vacancies which exist in the province of British Columbia in the position of returning officer?

Hon. G. E. Halpenny (Secretary of State): I shall be glad to.

VOCATIONAL TRAINING

CONSIDERATION OF SUBMISSIONS BY PROVINCIAL MINISTERS

On the orders of the day:

Hon. Lionel Chevrier (Laurier): May I ask the Minister of Labour whether the government has now given consideration to the brief presented to the hon. gentleman by the standing committee of ministers of education regarding federal-provincial technical and vocational training, and whether amendments will be introduced to the act?

Hon. Michael Starr (Minister of Labour): Yes. Consideration is being given to the presentation to the government of the suggestions made by the ministers, at which time the government said it would give this matter careful study. A decision will be announced in due course.

HOUSE OF COMMONS

MESSENGERS AND CLEANING STAFF—REQUEST FOR SALARY REVIEW

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Can the minister say whether the commissioners of internal economy have as yet undertaken a review of the question of salary increases for messengers and the cleaning staff of the House of Commons?

Hon. George C. Nowlan (Minister of Finance): No, not yet.

AGRICULTURE

ARDA—PILOT AREAS UNDER RURAL DEVELOPMENT PROVISION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Minister of Agriculture arising out of the announcement in the Ottawa *Journal* that Renfrew county has been selected as the pilot area for Ontario under ARDA and that another county will be selected for Quebec. My question is this. Will there be any general application of this act in other counties this year or will the ARDA projects be confined to a few pilot areas?

Hon. Alvin Hamilton (Minister of Agriculture): I should be happy to have a chance to get my estimates before the committee again so as to deal with this question in detail. I cannot possibly give a complete answer during this part of our procedure. A short answer might be that each of the provinces has been asked to propose trial counties or districts under the rural development section of the act. This is what the news story is referring to in Renfrew.

Mr. Argue: Will this be the only application of that section in this province this year?

Mr. Hamilton: No. I asked the provinces to select these counties or districts under the rural development section. There are other sections of the act in addition.

PUBLIC SERVICE

GLASSCO COMMISSION—IMPLEMENTATION OF RECOMMENDATIONS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the minister responsible for replying in the house on behalf of the Minister without Portfolio from Gormley when we can expect a progress report in this house on the progress being made by this gentleman in implementing the recommendations of the Glassco report, particularly the major ones relating to the reform of the treasury board.

[*Later:*]

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to ask the Prime Minister in his capacity as reporter to this house for the Minister without Portfolio whether any concrete steps have been taken since that minister was made head of the cabinet committee to carry out the recommendations of the Glassco report.

Right Hon. J. G. Diefenbaker (Prime Minister): Yes, Mr. Speaker.

Mr. Pickersgill: A supplementary question. Can the Prime Minister tell us what they are?

Mr. Diefenbaker: The hon. gentleman being an authority on the rules, I suggest he put that question on the order paper.

UNEMPLOYMENT INSURANCE

REPRESENTATIONS FROM B.C. TRADE UNIONS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Has the Minister of Labour received representations from trade unions in British Columbia urging delay in the introduction of amendments to the Unemployment Insurance Act based on the Gill commission report until organized labour has had an opportunity to discuss this question thoroughly among its membership and, later, with the government?

Mr. Speaker: Order. That question might preferably be asked when the estimates of the minister are before the house. I understand they are to follow immediately upon the completion of orders of the day.

COMBINES

DRUGS—INQUIRY AS TO REPORT

On the orders of the day:

Mr. Frank Howard (Skeena): The other day the Minister of Justice indicated in response to a question that he expected the report of the restrictive trade practices commission relating to drugs to be made available "any day now"; I believe those were his words. May I ask the minister whether he has yet received this particular report?

Hon. Donald M. Fleming (Minister of Justice): Yes, I have received the report. It was delivered to my office a week ago yesterday, late in the day, and it reached my desk the next morning.

Mr. Howard: Can the minister indicate when this report will be made public?

Mr. Fleming (Eglinton): In accordance with the statute, within 30 days of my receipt of it.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister whether he has with him today the document which Arthur Blakely says he had in his pocket yesterday, namely an order for the dissolution of parliament?

Mr. Speaker: Order. The question is quite hypothetical.

SUPPLY

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

DEPARTMENT OF LABOUR

General administration—

1. Department administration including a grant of $10,000 to Frontier College and the expenses of the international labour conferences, $1,321,700.

(Translation):

Mr. Lessard (Lake St. John): Mr. Chairman, when the house adjourned Wednesday evening last I was recommending greater participation by the industrial development bank to the setting up and creation of new industries in Canada.

Certainly, if we want to reduce unemployment and recapture economic control over our industries, which are now in American hands, we must also find the financial means required by our industrial development.

I should like also to draw the attention of the house to a comment found in this morning's press, to the effect that the lack of development of the Canadian financial system, the lack of expansion of the monetary supply is at the very root of unemployment now prevailing in Canada and of the "non-development" of our industries.

I believe, Mr. Chairman, that the house and this government are duty bound to ponder seriously that lack of financial possibilities for the development of our industry in Canada.

I think that the present regulations of the industrial development bank will have to be modified in order to supply the capital required for the multiplication of Canadian industries.

Of course, it is perhaps difficult for the government to require private enterprise to create new industries. But I believe that the Department of Trade and Commerce, which must provide for the development of our industries, is in a position to convince our industrialists that certain imported goods could be manufactured economically in Canada. It is the duty of that department to make the necessary publicity to that effect, and it is also its duty to develop the interest of our industrialists toward certain particular fields.

In my opinion, it is up to the government to provide the necessary facilities for those industries to establish themselves preferably in communities where unemployment is most acute.

The government's winter works program has greatly contributed to the stabilization of the economy. However, I should like to point out to the minister that as long as the unemployment situation has not improved substantially in Canada, he will have to allow certain works to be carried out at a more appropriate time of the year.

At present, the program is in effect from October to May but I call the minister's attention to the fact that certain projects can be undertaken by municipalities only in the fall, a period which is too short in some cases.

It should be taken into account how ridiculous it is that workers are idle in the summer and can only find jobs for a few months during

the coldest period of the year, that is in January and February.

This is not logical because those workers who were unable to find jobs in the fine summer months, must buy warmer and very expensive clothes to work outside in the winter months. Now, they often work only a few days and their earnings are barely enough to pay for those clothes.

There is also another aspect to winter works. I should like to point out in particular the serious problem which will probably prompt several municipalities to curtail their winter works. A great number of our municipalities are hard put to find the necessary funds to take part in the winter works program, because we know that even though the government pays 50 per cent of the labour costs, nevertheless municipalities must provide 10 per cent and pay, in addition, the material, equipment and machinery required for the carrying out of those winter works.

In fact, most of our municipalities are so involved in debt that they cannot spend any more money without increasing the already too heavy burden of taxes resting upon the citizens' shoulders.

I believe the only possible solution would be that the government set up a municipal development bank to enable our municipalities to borrow on easy terms, to increase their contribution to the winter works program, and even to carry out certain projects which nearly all of them have been looking forward to for a long time.

Mr. Chairman, the government has also shown that it was conscious of the problem arising from automation and its effects by introducing Bill No. C-83 at the beginning of the session. When this bill comes before us again, we shall give it a more thorough consideration. Since my time is running out, I shall await another opportunity to discuss it at greater length.

The Minister of Labour now has in his hands several briefs which were submitted to him by trade unions, as well as the Gill report on the unemployment insurance commission and the national employment service. Worthy recommendations have been put forward by everybody and I hope that with the co-operation of all the groups concerned with the matter—there is quite a number of them—improvements can be made to increase the efficiency of this branch which is trying to find jobs for the unemployed.

I am of the opinion that the development of these services has been completely neglected in the past, although they are of the utmost importance and should have deserved the continued attention of the responsible authorities. I will leave the more thorough discussion of the problems concerning unemployment insurance to others who wish to take part in this debate.

Before bringing my remarks to a close, I should like to point out to the minister my satisfaction in seeing that he is fully conscious of the problems resulting from unemployment in our country, but I believe other measures as well would also be desirable besides those which have been adopted so far. I am myself interested in labour conditions, and I know that the solutions are not easy to find. However, with the co-operation of the members of the cabinet and of his colleagues, I believe the minister should obtain, even demand that a greater share of the estimates be provided for areas which are more heavily affected by unemployment. On the other hand, I know that their budgets are limited but, nevertheless, since the Minister of Public Works is responsible for the carrying out of government projects in the country, he should take into consideration, while preparing his budget, the areas affected and provide special projects for them. The areas with surplus manpower should benefit from a greater share of the budget. In these areas, several projects have been submitted to the minister concerned. Therefore, I should like above all to ask the Minister of Labour to exert pressure on his colleague the Minister of Public Works (Mr. Fulton) to put at the disposal of those areas larger amounts of money for the works likely to improve their economy.

The formula is merely a temporary one. Only an increase in the number of industries will bring stability and will substantially reduce unemployment in the various sections of the country.

Statistics reveal that we have 414,000 unemployed in the country, 154,000 of whom are in the province of Quebec. In my opinion, this situation should make the cabinet members conscious of their responsibility to adopt means likely to reduce unemployment in all parts of this country. In fact, the province of Quebec is just as much entitled as any other part of the country, if not more so, to its share of government expenditures and investments.

Mr. Chairman, I know that my time has expired. On behalf of our group, I should like to assure the minister of our co-operation in making the discussions as brief as possible so that he may introduce without

delay new estimates for 1963-1964 which will show us what he intends to do next year, provided of course, this session continues.

(Text):

Mr. Berger: I think it is entirely fitting that, having discussed yesterday the No. 1 problem which Canada faces in the field of foreign affairs, we should devote today to discussing the No. 1 problem which Canada faces in the field of domestic affairs, namely that of unemployment. It seems to me that when the estimates of the Minister of Labour come before the committee the minister ought to deal primarily with this problem of unemployment, and that the committee ought likewise to devote its time primarily to this problem.

Many of us recall that when the session opened the government, when it brought down the speech from the throne, promised to create a million new jobs. Since that time the government has created many new jobs. However, the trouble is that all these new jobs have gone to defeated Tory candidates. In the meantime, according to the latest unemployment figures which we have, covering the month of December, 1962, 414,000 Canadians were unemployed. This figure represented 6.3 per cent of the labour force. That figure meant that 414,000 men and women did not have jobs. It meant that they and their families were suffering. It meant that they were deprived of the opportunity of taking an equal part in the development of this country.

I think it is essential that the minister and this committee should realize the magnitude of that figure; I refer to the figure of 414,000 wage earners and salary earners who are out of work. That figure is equivalent to the entire male labour force of the province of British Columbia. The situation is just the same as it would be if every man in British Columbia were without a job. Surely under those circumstances the committee would be able to persuade the Minister of Labour and the government that the unemployment situation was critical, that we faced an emergency condition, and that something ought to be done about it.

I am going to discuss later what the government has done about it and what we think it ought to do about it. Before doing that, however, let me point out to the committee that the figure of 414,000 unemployed is equal to two thirds of the labour force of the Atlantic region. This unemployment figure is one which although it is less than that of a year ago, remains nevertheless a figure which ought to be of grave concern to the minister, the government, the committee and the house. If the entire male labour force of British Columbia were out of work, or if two thirds of the entire labour force of the Atlantic region were out of work, this committee would demand that the government mobilize the resources of this country in order to put those people back to work. I suggest that under the present circumstances we ought to treat the situation as being just as critical. I suggest that we ought to require the minister and the government to mobilize the resources of the country in order to make sure that those 414,000 people go back to work at the earliest possible opportunity.

It is easy in Canada to get people worked up over a strike. Editorial writers rush into print as soon as a strike or a lockout takes place. However, the time lost as a result of strikes over the last 50 years of Canada's history averages less than 0.2 per cent of the total working time each year. The secretary of labour in the United States Mr. Wirtz, said recently that he was appalled by the realization that in the United States more man hours were lost as a result of unemployment in 1962 than were lost from strikes in the preceding 35 years. Yet editorial writers become concerned about the loss of employment, the loss of man hours and the loss of production which results from strikes and lockouts while this tremendous problem of unemployment which we have had in Canada for many years has ceased to agitate them.

I put the matter in this vivid way in order to bring home to the members of the committee the importance of the problem. If the entire male labour force of British Columbia were out of work we believe that editorial writers would not accept half measures; they would demand action on the part of the government. Instead, when facing just as critical a problem as that, what do we have from the government? No one suggests that the Minister of Labour has not tackled this problem in all sincerity. What we object to is the fact that the government's program has not been adequate to meet the emergency. What we object to is the fact that the government's program affects only the fringes of the unemployment problem.

What have the government done about unemployment? They have instituted a do it now program. They have instituted a winter works program. They have instituted a system of capital grants to the provinces to enable the provinces to carry on technical and vocational training. All these things reflect credit upon the minister and the government, but they do not go far enough. They do not get to the root of the problem. They

constitute a form of unemployment after-care. Nothing has been done to eradicate the hard core unemployment problem, a problem that we have had in this country for many years. This hard core of unemployment has existed ever since world war II.

I know that earlier this week the hon. member for Bonavista-Twillingate told the house that during the 12 years following the war we had full employment in this country. Those are the very words he used; they appear in *Hansard*. I think it will be acknowledged in all parts of the house, even among members of his own party, that the hon. member's statement was entirely inaccurate. As a matter of fact his own leader, the Leader of the Opposition, during the debate on the speech from the throne told us that during the 12 years following the war under a Liberal regime unemployment averaged 3 per cent each year. I do not blame the hon. member for Bonavista-Twillingate for not listening to the speeches of his leader, but I suggest that at least he ought to read them occasionally if only to avoid being unaware of the abrupt changes in policy that the Leader of the Opposition makes from time to time.

Mr. Pickersgill: Mr. Chairman, on a question of privilege, I apologize to the hon. gentleman because I was not listening to his speech at all. Could he tell me what he was complaining about in my conduct?

Mr. Berger: I was not complaining. I do not think the hon. member's conduct can be a matter of complaint. I was talking about a speech the hon. member made in the house earlier this week in which he said, and this appears in *Hansard*, that during the 12 years following the second world war we had full employment in this country. I pointed out that this was entirely at variance with what the Leader of the Opposition said during the debate on the speech from the throne, when the Leader of the Opposition stated that during those 12 years unemployment averaged 3 per cent each year. I suggested to the hon. member that he should read the speeches of the Leader of the Opposition even if he was not prepared to listen to them.

At any rate, the point I was seeking to make was that the statement that we had full employment in this country for 12 years following the war is nothing more or less than arrogant nonsense. Many of us had friends and relatives who were unemployed for years during that 12 year period, and I suggest it is not doing justice to the problem or being fair to the house to make statements of that kind.

Today unemployment is declining. From 1953 to 1961 unemployment rose from 3 per cent to 7.2 per cent on the basis of the annual average. During the same period the average during the winter months rose from 4.3 per cent in 1953 to 11 per cent in 1961.

Mr. Pickersgill: Could the hon. gentleman say what figures those are? Are they bureau of statistics figures?

Mr. Berger: Yes, they are. In 1962 the unemployment figure was 5.9 per cent. This represents a decline but, as I said earlier, this represented 414,000 unemployed. The Minister of Labour and the government do not know why unemployment rose sharply from 1953 to 1961. They do not know why it declined slightly from 1961 to 1962. They do not know whether it is going to rise again. They do not know whether it is going to decline further. They do not know what to do about the hard core unemployment that we have had in this country for so many years. The government simply do not know where unemployment comes from, and I suggest they do not know where it goes.

What is most regrettable about the vast unemployment that we have in this country is not the loss of production involved but the demoralizing effect that idleness has upon men and women. Enforced idleness breeds a sense of frustration and uselessness, a consciousness of personal degradation, and this is far more damaging to our society than the loss of production which their idleness represents.

The government's program is one which over a six year period has proved inadequate by any standard. The government have had almost six years to cope with unemployment and do something about it, and they have failed utterly. After six years in office unemployment averaged almost 6 per cent last year. We had 414,000 Canadians unemployed in December, 1962, after the government had had six years to do something about the problem. Many of us recall the empty promise that the Prime Minister made during the election campaign of 1958, when he said that no one would suffer from unemployment as long as he was Prime Minister.

In view of the government's failure, why does the government not adopt a program of genuine economic planning? This is the means by which other countries in the world have cured the unemployment problem. This is how the countries of western Europe and the Scandinavian countries have achieved prosperity and full employment. Why does the government persist in refusing to adopt a program of genuine economic planning? This would involve the expansion of public investment and the regulation of private investment. It would involve the location and relocation of industry. It would involve other

measures which come under the heading of modern, genuine, economic planning.

Why does the government not adopt such a program? After all, what is more important than the provision of jobs for more than 400,000 Canadians who together with their families are suffering, who are not able to enjoy the good things of life that should be the right of every citizen in a country with the abundance that Canada has? What is more important, to provide these people with jobs or to continue to pay homage, as the government does, to economic clichés that have no validity under present day conditions?

When we in the New Democratic party talk about full employment we are talking about something that cannot really be measured statistically. We believe that we will never have full employment in this country until there are more jobs than there are people to fill them. When we reach that situation, Mr. Chairman, it will mean that if there are people moving from job to job, if there are people temporarily unemployed, all of them will live secure in the knowledge that there is useful work for them to do when they are able to do it and when they are required to undertake it.

Speakers in the government party and in the Liberal party, as well as spokesmen for some segments of business and industry in this country, have talked about what they call tolerable levels of unemployment. We in this party do not talk about tolerable levels of unemployment; we regard unemployment as intolerable.

Now, Mr. Chairman, it is not just the manual workers, the craftsmen and the labourers who are the victims of unemployment in Canada today. The white collar worker is increasingly becoming the victim of unemployment. We are all aware of the enormous effect which automation has had upon those engaged in manual work. But we should all realize, and this was apparent from a study made by the economics and research branch of the Department of Labour a year ago, that although automation has increased the number of people required to tabulate and administer and distribute the products of our industrial machine, office mechanization and automation has already cut into that increase. The rate of increase of employment for the white collar worker is already declining. Office mechanization and automation has resulted in the displacement of people employed in sales, administrative and clerical work.

As a matter of fact, an article appeared in the *Globe and Mail* for November 23, 1962 headed "Automation May Soon Cut Middle-Management Ranks". It is a report by Ronald Anderson and reads in part as follows:

> Automation, which has been blamed for high unemployment among unskilled workers, may soon cut into the ranks of middle-management.
>
> Professor J. A. Sarjeant of the University of Toronto school of business told a graduate seminar this week the number of middle-management jobs will be reduced during the next ten years as computors take over many of the planning operations.

Now, Mr. Chairman, business plans ahead, industry plans ahead, so why should not the government of Canada plan ahead? It is essential that the government plan ahead, that the government set some course for Canada's economy, that the government lay down an economic blueprint for this country; otherwise the unemployment problem will get worse and worse as the years go by. It is going to have an increasing effect not only upon the manual worker but also upon the white collar worker.

We in this party believe that in years past we have been governed in this country by people who felt no sense of challenge; we have been governed by people who had neither the imagination nor the will to grapple with the difficulties we face. We have a Prime Minister who cannot make up his mind. We have a Leader of the Opposition who keeps changing his mind.

We observed them yesterday indulging in childish recriminations. These people have no solutions, they offer no solutions to the enormous problems that face us. They denounce a party that proposes a program of genuine economic planning and refer to that program as "magic nostrums". At the same time they propose, for purely political considerations, policies of debt free money. The two party system in this country is today a thing of the past because the two old parties have utterly failed to comprehend the problems that Canada faces in the second half of the twentieth century. We saw yesterday their paucity of ideas and the inconsistency of their policies in relation to foreign affairs. We have seen in this debate, as we have in previous debates during this parliament, evidence of the fact they are at a loss to know what to do about unemployment.

We in this party, Mr. Chairman, believe it is the responsibility of the government of this country to plan our economy to make sure that we achieve prosperity and full employment, to make sure there is useful work for every man and woman who wants to work. We believe it is the responsibility of the government of this country to bring about that situation. We think it could be done if only the government had the imagination and

the will to do it, because it has been done in so many other countries in other parts of the world.

We in the New Democratic party, Mr. Chairman, so long as this parliament lasts will fight to make sure that the government discharges its responsibilities to the people of Canada, and more particularly to ensure that this government discharges its responsibilities to the unemployed of Canada by providing jobs for people who should have had them long ago.

Mr. Rapp: Mr. Chairman, I should like to take this opportunity to congratulate the Minister of Labour upon the tremendous work he is doing in his department. I must say that the minister is not only familiar with labour problems and with employment, but he is also an authority on agriculture. I have had the privilege of having the minister speak in my constituency, and to say the least I was very much surprised that a person in his occupation would be so familiar with agriculture in the west. My people were really much impressed with his knowledge of this subject.

With this background of knowledge about agriculture and agricultural problems, I should like to bring to his attention one problem with which we are faced in the west. I refer to the problem of farm labour. Over the years science and technology have advanced to the point where some of our farms are getting bigger and some of our farms are shrinking in size. As a result the farm labourer seeks employment somewhere else. One reason a farm labourer seeks employment somewhere else is the discrimination against farm labour. His counterpart may seek employment in the cities and have available to him the advantages of unemployment insurance. This is not available to the farm labourer. I was very much disturbed in 1957 when I read that another class of employee had been covered by unemployment insurance. I refer to the fishermen. In 1957 it was not only the employees in the fishing industry who were covered by unemployment insurance but also the self employed fishermen.

Before I continue I should like to make one statement, and it is this. I am not against fishermen receiving the benefits of unemployment insurance; far from it. If there is a problem in the fishing industry it should have been taken care of under the Unemployment Insurance Act or by other means. At the time the then minister of fisheries, Mr. Sinclair, and the hon. member for Bonavista-Twillingate saw to it that the act was amended to give benefits to unemployed fishermen, there was not one member of the Liberal party or of the Liberal ministry who was concerned about the unemployed farm labourer. This was the time when they should have made representations, when the farm labourers should also have been covered by insurance, but this was not done.

I have brought this problem of the unemployed farm labourer to the attention of the house on many occasions.

Mr. Martin (Essex East): And I supported you many times.

Mr. Rapp: However, since a royal commission was appointed in 1961 I could not continue introducing bills and bringing this matter to the attention of parliament until the report of that commission was tabled. That commission has done good work in reaching some conclusions and recommendations, but there is one point on which I cannot agree with the report. Paragraph 20 of the report contains this statement:

> We recommend that the general principle be followed of extending coverage as broadly as possible so long as the necessary administrative procedures may be carried out to see to it that the rules of the plan are adhered to in a satisfactory fashion.

That is dealing with farm labourers, but on the other hand the commission says it is not able to recommend administrative procedures. What is the difference between administrative procedures for the farm labourer and administrative procedures for the self employed fisherman? If it was possible to include the self employed fishermen without encountering administrative difficulties, then I am certain farm labourers should also have been included. In my opinion this was discrimination against the farm labourers.

I would like the minister to give this particular paragraph of the report his earnest consideration when he comes to deal with the matter. From personal experience I know many small farmers experience difficulties in obtaining labour during the harvest time or any other rush season. I also know that many farmers who have increased their acreage over the years must now either dispose of some of their holdings or discontinue farming altogether. Last year, when we had a fairly good season and the crops were satisfactory, many farmers had to leave bales in the field because they could not get farm labourers to draw them in. I myself approached the unemployment insurance office in Saskatoon, but although there were many labourers on the unemployed list, casual labourers, they did not want to take the work because they said "If we go out we will not be able to put

stamps into our unemployment insurance books." They said had farm labourers been covered by the Unemployment Insurance Act they would be glad to come out and have an opportunity to put these stamps on their books, thus extending their eligibility for unemployment insurance.

Over the years since 1958 this matter has been raised in the house more than once, and from all sides of the house. There seem to be many members who are in full agreement that the farm labourer should be dealt with in the same way as other labourers, and it is time this was done. The commission report, dealing with administrative difficulties, says there is difficulty on account of a father and son claiming unemployment insurance, but that problem does not apply only to farm families. This is a difficulty which concerns other employees too, and I suggest regulations could be introduced to prevent such collusion.

I know the minister is very anxious to have his estimates approved and I shall not take much more of his time, except to ask him to take into consideration my representations and the representations of many farm organizations and other interested parties, in seeing that the farm labourer is brought under the Unemployment Insurance Act, the same as other segments of our labour force. In my opinion the time is long overdue for this discriminatory section in the act to be removed.

Mr. Munro: Mr. Chairman, I have read with considerable interest the remarks of the Minister of Labour when introducing his estimates. I do not intend, and I do not believe anybody in this party intends, to prolong introductory remarks because there are so many fields the minister touched upon that will require detailed questioning as we deal with the estimates item by item.

The most serious problem is that of unemployment, which has been dealt with by the hon. member for Kootenay East on behalf of this party, and by other party spokesmen. On January 30 the Minister of Labour dealt with this topic more or less at the tail end of his speech and did not express too much concern about the unemployment figures, other than to reiterate that on the basis of those figures things were looking up.

The latest figures issued by the dominion bureau of statistics indicate that there are over 400,000 people unemployed. This is disturbing enough, but the statistics also refer to 374,000 people claimants for unemployment insurance. When one relates that figure of 374,000 to the total of 414,000 it leads me immediately to question, as many have done, the accuracy of these statistics so far as the dominion bureau is concerned. Not for one moment do I think the figure of 414,000 unemployed, serious and grave as it is, is a true reflection of the number of unemployed in the country. Winter works programs and the like take many people off the unemployment rolls for a week or ten days, and I do not think those people properly reflect the number of casual workers. I know that in years gone by discussions have taken place in parliament in which it was advocated that a committee be set up to study the accuracy of these figures.

Mr. Martin (Essex East): The government has always refused to set it up.

Mr. Munro: I certainly would welcome such a committee and I may say so far as this party are concerned we challenge the accuracy of the figures. I for one accept them as a minimal indication of the number of unemployed, but I think the number is much greater. I think the sooner we have the means of getting accurate information about unemployment in this country the better it will be, especially with regard to the taking of concrete steps to deal with this problem.

As a new member of parliament I find it frustrating and disappointing to have been appointed to the industrial relations committee, which is a standing committee of this house, only to find it has never held a meeting and that presumably there is no likelihood of any meetings being held before the dissolution of this parliament. We hear screams about obstruction by this side of the house, but it should be realized that we have been sitting since September 27 and that four months have now passed during which the government could have convened this committee, when we might have examined in detail within that committee not only the accuracy of the figures and the means taken to record those figures, but the nature of the solution which has been proposed for this cancer in the economy.

The programs to which the minister has referred have been beneficial to an extent, and the idea behind them is good. However, their execution has left something to be desired, especially in urban areas. I think many of the retraining programs designed to deal with unemployment leave a great deal undone, especially in specific urban areas such as Hamilton and Toronto. Thousands of people who do not speak English adequately have come to this country in the last four or five years. They have found it almost impossible to qualify for any of these courses because of this language handicap. Yet these are the very people who are suffering most from the effects of unemployment because they are,

for the most part, construction workers; they were unskilled when they came here, and they qualified as labourers in the construction industry. They are subject to all the griefs associated with this type of work, the seasonal nature of the occupation and so on.

I would be interested to hear from the minister what concrete policies his government is willing to adopt to tackle this problem. I should like to find out whether the government, in co-operation with the provinces, has made any detailed plans for the setting up of teaching staff so this difficulty can be overcome, perhaps by arranging for a preliminary language course in connection with these training programs so that those concerned might qualify. As I indicated, there are thousands of these people involved, and they are receiving no attention from the government. A number of organizations, Italian, Ukrainian and the like, have submitted briefs to both the provincial and federal governments asking that action be taken in this regard, but they have received no concrete assurances regarding a solution of this difficulty.

I do not wish to be redundant in speaking about the seriousness of unemployment. We all know how tragic unemployment is and what a cancer it is in our society. Hon. members from urban areas understand this especially well because they are constantly exposed to the representations of those who are not able to find steady work and who do not have sufficient income to take care of their families. The situation is almost unbelievable when one contrasts it with the usual terms in which one thinks of Canada as being a country of wealth, prosperity and unlimited resources. We look around at each other and see how well we live and how well we dress. I think we are isolated here from what goes on in the rest of the country.

If this situation continues it can only lead to loss of confidence among these people not only in Canada but in themselves. This problem of unemployment is one which all the resources of government should be centralized to cure. It is the foremost and outstanding problem now before the present administration. In my opinion it is questionable whether the Department of Labour has the facilities needed to cope with it. So it has come up with stopgap measures. The winter works program is, I believe, strictly a stopgap measure. I do not see in it the promise which the Minister of Labour discerns, one reason being that it requires such large scale financial participation by the municipality in order to make it work. The government, as hon. members know, contributes only labour costs. How long can the municipalities go on submitting these projects in the light of their depleted treasuries and constantly growing financial responsibility?

I know this question arises as far as Hamilton is concerned, because with regard to unemployment Hamilton at times attains the status of a depressed area. It is my belief we shall not be able to submit many more applications under this winter works program simply because the civic budget will not stand the strain. Thus we shall not be able to take advantage of even the temporary benefits which accrue under this program.

I have pointed out the shortcomings of the training programs as far as they affect new Canadians. It would be highly interesting, I think, to have a breakdown of the unemployment figures showing the racial origins of those without work, the length of time they have been in this country and so on. I think those figures would be a surprising revelation. Obviously the Department of Labour has been unable to find any solution to unemployment except stop gap measures. I do not think that is the fault of the department itself. I think because of its very nature the department is limited in what it can do. It will require all the resources of the government as well as of the department directly concerned in order to tackle this question; it will need monetary and economic policies designed expressly for its solution.

The speech from the throne indicated that the government intended to present a bold new program to combat unemployment. Well, several new boards have been or are to be set up. There is the national economic development board, the Atlantic development board and the manpower adjustment council which is going to set up yet another board. But it should be remembered that after four months we still have not got the national economic development board. On the other hand, having looked at the terms of the bill, which seem to me devoid of any substance, it appears questionable how effective this board would be, especially in the absence of any statement from the government about its relation with the other boards, some of which I have mentioned. I suggest the government has dragged its feet with regard to explaining the power this board would have to set economic goals.

The minister referred to the national productivity council and talked about consultation which had taken place between management and labour, but nowhere in his speech could I find any indication of precisely how the government intends to implement the findings of the mission to Europe or the

discussions which took place at the conference. They obviously came to the conclusion that certain government action was required in this area, but nowhere do we see any concrete, detailed government planning into which any of the opposition parties can put their teeth so as to implement their findings. Obviously the only way we can implement the findings, not only of the mission to Europe but resulting from consultations across the country, is by some type of legislation which we have not yet seen.

It has often been expressed by many speakers in this house, and I reiterate, that it would appear the government does not really and sincerely advocate planning in order to combat our problems. Without going into the origin of this idea I think we all agree now that something has to be done and that planning should be instituted. Until we pass the concrete measures which are necessary in order to show in what direction this country is going and how we intend to combat this problem, this tragic condition of unemployment will continue.

Another matter sadly lacking in the opening speech of the minister is any indication of the basic philosophy which lies behind his department's program. We do not have any indication of how we stand in relation to labour. Perhaps this lacuna has gone on year after year and it is felt that it is not necessary. As a new member looking at the estimates of the department, there seem to be certain basic principles and tenets which the department accepts and adheres to as far as the rights of labour and management are concerned, and perhaps the department is prepared to acknowledge this. Or maybe it feels that this is too controversial and will not even indicate a general philosophy in these two areas.

I think before the department can realistically go into all these matters of conciliation procedures, the encouragement of labour-management co-operation, and economic and research areas, they certainly must have a basic program of beliefs as far as the rights of labour are concerned. I see no government position—and I think this is an area where you would expect it—enunciated with respect to employees of the civil service and their demand for collective bargaining rights and arbitration. That is not even referred to. To my mind a general statement outlining the estimates and activities of the department for the forthcoming year would be just the place. Again perhaps this is an area of responsibility which the Department of Labour wishes to evade.

Nowhere do I see any basic philosophies or beliefs on the part of the Department of Labour with respect to minimum wage legislation, weekly working hours or vacations with pay. I think every country has accepted certain standard regulations with respect to these questions, but not Canada. Apparently it is an area which the Department of Labour wants to avoid. I think when we go over the estimates item by item it will be seen that the government must be prepared to take their stand on these controversial matters.

In conclusion all I can say, coming from an urban area with a great amount of unemployment, is that I am terribly disappointed to find there has really been no concrete action taken by the government other than, as I say, a winter works program and what I consider to be stopgap, temporary measures. There has been no concrete long range program or policy enunciated by the Minister of Labour to show in what direction his department is going, or in what direction the government intends to go in the forthcoming years to cure a cancer such as 6.3 per cent of our labour force out of work. Until the government and the Minister of Labour are prepared to come before this house and the Canadian people and show, apart from temporary measures, a longe range program of how they intend to cope with this question and provide for one million more jobs in the next five years, there will be no satisfaction in the government indicated either by this opposition or by the Canadian people.

Mr. Scott: Mr. Chairman, I have a few remarks I should like to put on the record at this time. In keeping with the spirit of co-operation which our party is exhibiting in passing these estimates, I will use up only a portion of the time which would normally be available to me.

I should like to say something about the unemployment problem. I have read with a great deal of interest the speech of the minister delivered at the commencement of our consideration of his estimates, particularly the section dealing with unemployment. The most disturbing thing about the minister's speech with regard to the question of unemployment was that it exhibited a smug, self-satisfied attitude toward this problem. It indicates that as far as the government is concerned unemployment is treated as an inconvenient problem which it does not know how to deal with and somehow wishes would quietly fade away.

I think the real trouble, or one of the troubles, is that since this parliament assembled and began discussing problems such as unemployment both the government and the official opposition have treated the whole problem as some sort of statistical matter. We have spent hours in this house listening to

the government and the official opposition arguing between themselves as to who had the highest rate of unemployment when they were respectively misgoverning the country. We have heard these endless quarrels, and the result of all this shadow boxing, treating unemployment as just a mass of statistics, is that we are losing track of the fact that people who are out of work are not statistics. They are men and women with children. They are Canadians.

Every week end my office in my constituency, which is an urban one, is flooded with people who are out of work and who are bringing problems they ask us to try to solve. The most discouraging thing about this is that with the policies in effect in Canada today, with the lack of programming which seems to face us, there is no way in which I can hold out any real hope to these people that jobs will become available for them. The minister tells us that there is only 6.3 per cent of the work force out of work, instead of 6.4 per cent at the same time last year. This is very nice and we are very glad to hear it, but the fact remains that there are still 414,000 people in this country unemployed. This means in reality that the cold, ruthless hand of unemployment is reaching out and gripping the lives of nearly a million Canadians, if you add to the number of unemployed their families and the other people depending upon them.

Where is our sense of urgency about this problem? Why must we always consider it merely a statistical matter? Where is our belief and our determination that the problem of unemployment is not a statistical question but is one of the most pressing, vital and compelling problems facing Canada today? Why can we not get rid of this passive acceptance of unemployment, this smug idea that all these people out of work is somehow a normal thing and that there is nothing very much we can do about it; that it happens every winter, and we are just going to have to endure the fact that a million of our fellow Canadians are being affected by it?

Let us try to look at this problem in terms of what it is like to be unemployed. For example, the maximum income obtainable under unemployment insurance is $33 a week.

Mr. Starr: It is $36.

Mr. Scott: Well, $36; it does not really matter that much. I have with me the brochure of the Montreal council of social agencies in which they have examined the problems of family life in Canada and set out the minimum requirements for adequate living. If we take a family of a man, his wife and two children we find that just for the bare subsistence level they are obliged to spend $87 a month on food, $14 a month on fuel and $70 a month on rent. This is a total of $171, a figure which exceeds the maximum amount which they can obtain in a month under unemployment insurance.

What does this mean to the man who is unemployed? It means that even if he is able to adequately feed his family and keep his premises, he will have no money left over with which to pay the mortgage on his home, taxes, light, or water, anything for clothing, or to have anything at all left over for recreation. This is what it is like to be on unemployment insurance.

These are the statistics we are talking about. These are the conditions under which our fellow Canadians are forced to live in this society of ours today. No bills can be paid. Mortgages fall behind. Insurance policies lapse. Creditors chase them. There are garnishee orders and court actions. Tension grows in the family. A sense of frustration develops in the man of the house, and it is not long before he begins to feel that our society does not really care about him, that he is an inconvenient problem and ought to go away somewhere. How are we going to justify our system to this man? Why should he continue to have faith in a society which does not really care about him and which is prepared to cast him aside?

It is because week after week we see conditions of this kind in our ridings that we are nauseated by the monthly spectacle of the Minister of Labour. Every month when the unemployment statistics are released we have this nauseating spectacle of the minister doing a dance of joy because there are only 414,000 persons out of work instead of 550,000. It is a dreadful spectacle for us to witness.

If one looks at the people whose unemployment insurance benefits have run out and who are forced to take welfare, one finds that the situation is even worse. A single person is allowed $7.45 a week for food and $5.75 a week for furnished, heated shelter. Nobody could even exist on an allowance of that type. A man with a wife and family is allowed $42.95 a month for heated accommodation and $64.50 a month for food. Again, Mr. Chairman, these are the conditions under which we are suggesting that our fellow Canadians should live.

I say that behind the statistics lies a tale of national tragedy and national suffering which ought to make us in this chamber ashamed of the unemployment situation. That is why when I commenced my remarks I asked this question. Where is our sense of

urgency about this matter? Why can we not recognize that the unemployment problem is probably one of the greatest questions confronting our country? Why can we not set full employment as an objective of government? As I said previously, I do not think we in this House of Commons really understand what our fellow Canadians are going through. Sometimes I think that we here are five or six light years removed from reality.

I should like to suggest that the entire cabinet and the whole House of Commons have their parliamentary salaries suspended and that they be placed on unemployment insurance for three months. I should like to suggest that the hon. gentlemen in the other place have their salaries suspended and that they go on welfare for three months. Let the members of the House of Commons and the members of the other place try to live on the income on which one million Canadians are being obliged to live. I suggest that, when the three months were over, we would come back here very much convinced of the urgency of this matter and very much prepared to do something about it, and to bring in a program that we have failed to bring in up to this time.

Mr. Martin (Essex East): Why did not your party help us in this house during the last four years in our opposition to the government because it did nothing? We had to fight all alone.

An hon. Member: They did as much as your government did.

Mr. Scott: Here we go again, Mr. Chairman, with the old shadow boxing back and forth. Every time this matter is raised the hon. member for Essex East has some inane comment to make about the government, and they have the same comments to make about him. It is the old shadow boxing back and forth between the two old parties. They do not have an answer for this problem. They do not have any programs that are designed to cure it. Because they do not wish to face up to it they spend all their time in this House of Commons fighting each other back and forth, trying to justify the situation.

Mr. Martin (Essex East): What about your party?

Mr. Scott: That is all we get from the old parties. The Liberal party is no better than the Conservative party. It has not a program either, in spite of all the hogwash they are trying to deliver in this House of Commons.

An hon. Member: Just a family quarrel.

Mr. Martin (Essex East): Loud but limited cheers.

[Mr. Scott.]

Mr. Scott: As I was saying, the future problems of unemployment will become even more difficult. The members of our party and the members of the other opposition parties have tried to emphasize the fact that the whole problem of unemployment will become even greater in the years ahead; that the number of children between the ages of 14 and 19 who are still at school, probably 1,200,000 or more, whose education is acting as a dam to hold them back, one of these days will begin to spill on the labour market at the rate of a quarter of a million a year. We have the increasing dislocation through automation mentioned by the hon. member for Vancouver-Burrard. I think the minister should be very much worried about the statistics.

The Minister of Trade and Commerce stated that we have had a 7 per cent increase in the gross national product. That is a very good thing. It is one of the best years we have ever had. However, in the same year unemployment dropped by only 1 per cent, something which gives the ominous information that automation is working far faster than any of us thought it might work, and that even a large growth such as that which we had last year is not sufficient significantly to cut into the very large core of existing unemployment.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Scott: Mr. Chairman, when the committee rose for lunch I had been setting forth the view that unemployment as it now exists will probably continue to be an even greater problem in the future. This will be due to the increased displacement of workers as a result of the inroads of automation, because of the very large number of young people who will be coming on the labour market at the rate of a quarter of a million a year, because of immigration and because of the need to eat into the very large backlog of unemployment which we now have in Canada. Indeed, Mr. Chairman, it is not unfair to say that if some sort of action is not taken now to prepare for these difficulties in the future we will be building for ourselves a problem of almost nightmare proportions.

Those of us in the house who come from urban ridings have sat here since the session started last September and have listened with patience to all the problems of the farm people in Canada and the problems of other sections of the country. We have been glad to hear their problems and to see them getting

solved but I feel it is about time that we got down to the problems of the city people too. While we have sat patiently up until this time we will not sit patiently too much longer.

I was pointing out before the recess the great human hardship and suffering that unemployment brings to families, but more than that it constitutes a great waste to the community. It is interesting that Mr. Willard Wirtz, secretary of labour in the United States, said in testifying before one of their committees:

> I find it almost intolerable that the country takes unemployment with such a degree of acquiescence.

He went on to say:

> I am appalled by the realization that we lost more man hours in unemployment last year than we lost from strikes in 35 years.

This indicates to some degree the great loss to the community, the great loss to the country in production and income as a result of the high levels of unemployment we have endured. One thing is certain, I think, and that is that we will never deal with unemployment in Canada on the basis of an insurance scheme, nor will we ever really deal with it on the basis of a welfare scheme. In both regards we are still chasing a will-o'-the-wisp.

The solution to unemployment lies in far deeper problems in our country, problems of growth, problems of expansion. It is only when these are taken care of that we have any real chance of solving unemployment at all. That is why I was urging this morning that the house and the government accept the idea of full employment as a national goal in itself instead of chasing the will-o'-the-wisp of a balanced budget. What we should really do is that all our energies, skills and resources should be devoted to and concentrated on the great national goal of eradicating unemployment. For those of us from urban ridings who go back to our constituencies on the week ends and see the results of unemployment, it is a sickening and frustrating thing that leaves everybody whose lives it touches with a feeling of helplessness and with a feeling that the rest of the country has forgotten about it.

Today in the house we have heard very little that would encourage us to think that the government is really serious about this matter. I know the Minister of Labour is a man of good will and undoubtedly he is doing his best, but like everybody else in the house he must be frustrated by the indecision and the lack of leadership we have received from this government. I hope that when we hear from him again we will not be treated to another Alice in Wonderland tour of Canada and that he will tell us what plans the government has in mind to meet this problem. To date we have heard very little in this regard. It is a source of great regret that nothing laid before us thus far in the session indicates that the government has any real awareness of the great urgency of the problem or any real method of solving it, but I know we will be hearing from the minister again and I assure him we will be waiting to hear these plans.

Mr. Gordon: Mr. Chairman—

Mr. Knowles: What is the name of your union?

Mr. Gordon: Mr. Chairman, I seem to hear a noise from the hon. member for Winnipeg North Centre—

Mr. Knowles: Correct.

Mr. Gordon: —who asked me what the name of my union was.

Mr. Pigeon: The brass union.

Mr. Gordon: I would remind him that there are a great many working people in this country who do not belong to unions and as the member for Davenport I represent a great many of them as well as union members. I am here, as he is, to discuss the labour estimates and the question of unemployment. I hope he will not interrupt me again with a facetious question of that kind.

In rising to participate in the discussion of the labour estimates I should like to state at the outset that I fully realize, as I am sure others realize, that responsibility for the unemployment problem in Canada does not rest alone and cannot rest alone on the Minister of Labour. The extremely high levels of unemployment in recent years have been the result of the fact that Canada has been in the economic doldrums. We have been in the economic doldrums for a period of six years and all the members of the government must accept some share of responsibility for that.

There has been a tendency lately for some people to become complacent about this question of unemployment. I remember that during the last election campaign the Prime Minister made the astonishing statement that the unemployment problem had been resolved, and that in a few weeks there would be no more unemployment in Canada. I challenged the Prime Minister, as soon as he made that statement, to come and say it again in Davenport where a great many people could not find jobs and many more people are in that same plight today.

Mr. McGee: Is that the same place where your leader was predicting 800,000 unemployed this winter?

Mr. Gordon: Mr. Chairman—

Mr. Pigeon: What leader?

Mr. Gordon: —the parliamentary secretary will have lots of chances in a very few weeks to tell the people of Scarborough what he knows and what he has been doing about unemployment. I would suggest he keep quiet in the meantime, or at least until he gets up to support the minister on these estimates.

The Prime Minister did not accept my challenge last June. Instead, he went around the country making personal remarks about me and a number of others. I was rather surprised about that because even an amateur, such as I was then, and I believe I am a little less of an amateur now perhaps,—

An hon. Member: But not much.

Mr. Gordon: —knows it is poor politics to go around publicizing anybody on the other side. It certainly did not do the Prime Minister any good last June, as I remember. In fact, I understand there are a number of people, and I think some of them sit on the opposite side of the house, who are beginning to question the wisdom and the infallibility of this man whose political intuition was once thought to be so great.

Mr. Kindt: What has that got to do with labour?

Mr. Woolliams: Is this another personal attack on the Prime Minister?

Mr. Gordon: May I answer one question at a time?

An hon. Member: Try them both.

The Deputy Chairman: Order. The Chair cannot permit members, while remaining seated to ask questions of the member who has the floor. If hon. members do not like the remarks made by the hon. member who has the floor, they will have a chance to answer him.

Mr. Gordon: Thank you, Mr. Chairman. The fact is that many people in Canada are unable to find jobs. If any members of the government do not know this, I will be glad to prove it to them. Sometimes, as the hon. member for Danforth said a few minutes ago, people forget what it means for unemployed people to be unable to find jobs and to be on relief month after month. I, like the hon. member for Danforth and the hon. member for Winnipeg North Centre, see these people continuously whenever I am in Toronto. Believe me, the people who come to my office and who write to me from Davenport about their desperate need to find jobs do not find it too encouraging when people across the aisle make the sort of remarks they have just been making. This is a serious subject and should be dealt with in a serious manner. There is a very personal subject, and it represents human tragedy for thousands of people in this country who, in the last six years, have been unable to find jobs. There are people in this country—again I suggest we had better not throw any stones or I will be inclined to mention names—who seem to think that the people who are unemployed just do not want to work. Well, the fact is that the level of unemployment in the last six years has been double what it was in the previous ten years. If people in Canada were anxious and willing to work during one period, it is most unlikely they would not be just as anxious and just as willing to work if they were given a chance to do so under present conditions.

Mr. Kindt: May I ask the hon. member a question? Were his figures on a percentage basis or numerical?

Mr. Gordon: My figures were on a percentage basis, as I am quite sure the hon. gentleman would know if he cared to look them up.

Mr. Kindt: I have looked them up.

Mr. Gordon: He has looked them up, his question was quite unnecessary and I will go on with my remarks.

There are seasonal variations in unemployment as everybody knows. It is dishonest, in my opinion, to compare the actual figures on unemployment during the summer months with averages or with the corresponding figures during a period of the year when unemployment is always higher. But on the average, month by month during the last five years, six or seven of every 100 members of the working force have had no work to do. I have said before, and I should like to repeat, that this is a shame and a national disgrace. Something must be done about it. Again, as I have said before, I think that something can be done about it. If the election that seems to be upon us or will be within the next few days or weeks turns out the way I think and hope it will, then something will be done about it.

An hon. Member: Are you going to Nova Scotia again?

Mr. Woolliams: He is speechless.

Mr. Gordon: I am not speechless, Mr. Chairman, I just wish some hon. gentlemen on the other side would occasionally get a new idea. I am not worried about what will happen in Nova Scotia in the next election.

Mr. MacEwan: You should be.

Mr. Gordon: Some hon. member is shouting that I should be.

Mr. MacEwan: Yes.

Mr. Gordon: Well, we will find out who should be when the time comes.

There are two problems in particular that must be tackled if we are to restore prosperity in Canada and cure the unemployment problem. I have not got the time this afternoon to deal with all the problems, but I am going to mention two. The first of these is the annual deficits we have been incurring in our transactions with other countries. I would like to say a few words about this because I think it is central to our whole economic problem.

In 1961 the deficit in our transactions with other countries was just under $1 billion, and while the figures for 1962 are not yet available it has been predicted by ministers of the crown that the deficit will again be just about a billion dollars. The deficit in 1961 was made up of an imbalance in our transactions with the United States of roughly $1,400 million, with a surplus in our transactions with all other countries of the world combined of about $400 million. This imbalance in our transactions with the United States, means that we have been importing some of the things that we could have been producing ourselves in Canada, or alternatively that we have been unable to find markets for some of the goods we could produce for export.

Mr. Nasserden: They were one of our best customers.

Mr. Gordon: Is that the Prime Minister speaking? It was estimated a year or so ago, by a well known economist in western Canada, that if we could bring our international accounts into balance it would be the equivalent of producing roughly 200,000 more jobs in Canada. I suggest, Mr. Chairman, if we are sincere, and we certainly should be, about getting to the root and doing something about this unemployment problem, instead of wasting time in the way we have in the last five years, we should have been dealing with the balance of payments problem. There is no simple way of doing it. It has got to be done on an industry by industry basis.

Mr. Pugh: Would the hon. gentleman permit a question?

Mr. Gordon: I shall be glad to answer this question, but from then on I shall answer questions at the end of my speech.

Mr. Pugh: I am glad the hon. gentleman accepts the question. He put figures on the record for 1961 and what he thought they were for 1962. Would he be prepared—I know he has the figures in his own mind—to put the figures on record for 1956-57, the imbalance of trade with all other countries?

Mr. Woolliams: Yes, that is a good question.

Mr. Pugh: Damned right.

Mr. Gordon: The hon. gentleman thinks this is a good question. I gave the figures for 1961, and the figures for 1962 have not yet been finalized or published. As the hon. gentleman probably knows, we started to run a deficit in our transactions with other countries about 1950, and from 1950 to 1955 inclusive the average deficit was under $400 million a year. The problem became acute in 1956; it has remained acute from 1956 until now, and nothing has been done about it.

Mr. Pugh: Would you be prepared to put the figures on the record?

Mr. Gordon: The average figure from 1956 to 1962 has been running at about a billion and a quarter dollars a year, and in the last two years at a billion dollars.

Mr. Pugh: Would you be prepared to put the figure on the record?

Mr. Gordon: I have been putting the figures on the record, and if the hon. gentleman will be quiet for a few minutes I shall put some more on. If we are going to do anything about this problem, if we are going to cure unemployment in Canada, we must approach it on an industry by industry basis. There is no simple way, by waving a wand or making a speech, to cure the problem. It requires action and that is what we badly need in Canada.

The other day reference was made to the automobile industry and on other occasions I have used this as an example of what should be done in order to solve this problem of our balance of payments. In 1961, and again that is the year for which the latest figures are available, we imported approximately $360 million worth of automobile parts into Canada. We believe that a separate department of industry should be created to deal with this problem, and that one of its functions should be to go to the automobile industry and say that the government has concluded that this very large amount of imports should be reduced by, say, two thirds over a period of a year or so—two years at the very most. That in itself would produce an extra 35,000 to 45,000 jobs in Canada in places like Windsor and Oshawa.

Mr. Horner (Acadia): What about the last few weeks?

(Translation):

Mr. Deschatelets: Mr. Chairman, I rise on a point of order. Since the opening remarks of the hon. member for Davenport (Mr.

Gordon), members of the Conservative party have kept on interrupting him in spite of your call to order.

Consequently, I would ask you to put an end to that.

(Text):

Mr. Horner (Acadia): What about the last few weeks?

The Deputy Chairman: A few moments ago I asked for the co-operation of all hon. members. If hon. members do not like the remarks made by the hon. member for Davenport they will have a chance to answer him. With real co-operation we will be able to report real progress at five o'clock this afternoon.

Mr. Gordon: Thank you, Mr. Chairman. To go back to my example of the automobile industry I suggest that the appropriate arm of the government—and in my view it should be a separate department of industry—having decided upon the target should then call in representatives of the industry and ask, "How do you recommend we should accomplish this objective quickly and without adding to costs?" I suggest that representatives of the industry be consulted, because after all they are the people who are most familiar with the technical processes and who can provide valuable assistance to the government in this sort of thing if they are consulted. I also suggest that labour unions be consulted in a matter of this kind. In our view, in doing this if the industries concerned can suggest ways by which they can increase exports instead of reducing imports that will be so much the better.

The royal commission of which Professor Bladen was chairman suggested a formula which in principle has a lot to recommend it. It is this formula, or a modification of it, which was introduced last October by the Minister of Finance. I thought that move was a good one. It was a move in the right direction, but it did not really go far enough. That particular move if it is successful, as the minister stated at the time, might reduce the imbalance in our transactions so far as automobile parts are concerned to the extent of $30 odd million. That is an insignificantly small part of a $360 million deficit in that particular industry. It did not in my view show any real sense of urgency in tackling this problem.

There are many other industries which will have to be dealt with in exactly the same way. During the past four months various members on this side of the house have been meeting privately and have worked out plans which could be made applicable to many other industries in Canada. This approach would go a long way toward reducing this tremendous imbalance in our international transactions. We would be well on the road to reducing unemployment in Canada to levels at least considerably lower than those we have today. That is the kind of approach which is needed. We are not going to solve this problem by shouting at each other across the House of Commons. We can only solve it if we start off with some real understanding of the difficulty and then, with determination and a power of decision, do something about it.

The second of the two problems which I said must be tackled head on if we really intend to balance our international transactions, restore prosperity and cure unemployment in this country is of a different kind. It has nothing directly to do with the balance of payments question. It is the unsatisfactory and much too low rate of investment in Canada in both the private and public sectors of the economy. As far as investment in the private sector is concerned, there is a great need to expand existing industry and to develop new industries in Canada. I am one of those who would prefer to see this done by private investment because I believe in the decentralization of decision making, particularly when we see how difficult it is for some governments to make decisions of any kind. However, I think we must recognize that there is in private hands in Canada a shortage of the kind of capital which is needed in order to expand certain industries. Certainly there is a shortage of the kind of capital needed to develop new undertakings in the extractive industries. In the past we have allowed too many of these developments to be financed by foreign capital and that is, in my view, one of the reasons why we are facing the problems which confront us today.

While on balance I should prefer to see as much private capital as possible invested in such undertakings, if it were available, I certainly would not like to see the expansion of industry and the development of new projects curtailed merely because there is a shortage of private capital for such purposes. In that event it seems to me that public capital should be made available. What was done in the case of the Polymer Corporation is an excellent example.

An hon. Member: Remember the shoe factory in Saskatchewan.

Mr. Gordon: I am not thinking about small shoe factories and other things which were done in Saskatchewan. The hon. member can ask his friends over there in the New Democratic party to talk about Saskatchewan at the proper time. I am saying that if it is a question of unemployment or of investing public funds in new developments then we should use public funds for such purposes.

Now, in what is usually looked upon as the public sector of our economy it seems to me that if we in Canada are to resolve our unemployment problem, restore the prosperity of our nation, and make our cities and towns better places in which to live and work we should make grants and low interest loans available to municipalities. This would permit them to get on with the job of improving our cities and towns and, in the process, stimulate the construction industry in Canada and thus provide the kind of jobs which can only be provided in that industry. The Liberal party has proposed that this should be done through a municipal loans fund and I suggest that the sooner a loan fund of this kind is created and the earlier we get on with projects of this sort the better it will be for the people in my riding of Davenport, the people in Danforth, the people in Winnipeg North Centre and the people in a lot of other ridings in this country who need that type of work. In some cases it is the only kind of work they are accustomed to doing. I, for one, would prefer to see public moneys spent in that way than that they should be spent in keeping these people unhappily on relief which, as a previous speaker has pointed out, means misery not only for the head of the family but frustration and difficulty for all its members. Sooner or later this represents a big bill in terms of broken homes and—I do not like the phrase "juvenile delinquency", but it is the one which comes to mind.

I cannot this afternoon, certainly not on the estimates of the Department of Labour, outline a complete program of what the Liberal party would do to deal with unemployment in this country.

Mr. Starr: It would be agreeable to me if the hon. member for Davenport would do that.

Mr. Gordon: All right, I will come back later and do it. At this stage I wished to outline two major aspects of our program for dealing with unemployment. One is to bring our international accounts into some kind of balance by producing ourselves some of the things we are importing, as well as by exporting more of the things we can produce. The second item in this program is the creation of a municipal development fund which would really put some juice into the construction industry and provide many more jobs.

The Deputy Chairman: I see the hon. gentleman's time has expired. Does the committee agree to give some extra time to the hon. member for Davenport?

Some hon. Members: Yes.

Mr. Gordon: Thank you very much. I am glad to have this opportunity of continuing because I was talking about this problem of our balance of payments in western Canada a few weeks ago and I pointed out then that this imbalance in our international transactions had a great deal to do with bringing on the financial and exchange crisis last year. I suggested that if we fail to put our national house in order, if we fail to clean up the mess we see around us, we run the risk of facing another financial crisis.

I tried to find out this morning from the Minister of Finance whether he had any ideas about when he might ask for further interim supply in order to carry on the business of the country for the present month of February because this government has run out of money and will soon be unable to pay its bills. If this is the way the government runs its own affairs or runs the affairs of the country, it does not leave me, and I doubt whether it leaves many other people, with very much confidence as to what we may expect to encounter in the near future. It is clear evidence that the government does not know how to manage its own affairs. And surely that means it is incapable of dealing effectively with the question of finding work for Canadians.

By a strange coincidence, shortly after I made the remarks to which I referred, the sometimes invisible Minister without Portfolio made a speech in Toronto to the Toronto board of trade. It was last Monday, January 28, and I should like to read two sentences from one paragraph of this speech. He said:

> Those who go around this country predicting crises in its foreign exchange position, predicting economic calamity internally, should give serious consideration to their position as Canadians. This is still a free country—

—said Senator McCutcheon—

> —and if I felt as they appear to feel I would pack up and leave.

That is the end of the quotation. Senator McCutcheon analysed the economic picture for the benefit of the large audience he was addressing, and then made that comment. I suggest that this is an incredible statement for a member of any government to make. It is an incredible statement even from a non-elected member of an arrogant government like the present one. There are four to five hundred thousand Canadians without jobs at the present time and the ones I have talked to are critical of the government, very critical. Does the hon. senator suggest that they should all move out? If so, may I ask him where he thinks they should go and who is going to pay their bills?

Mr. Nesbitt: That is a disappointing interpretation.

An hon. Member: You are.

Mr. Gordon: Hon. members on this side of the house—Mr. Chairman, there seem to be murmurings going on, but I am not going to pay any attention to them.

Mr. Robichaud: They cannot swallow their own words.

Mr. Gordon: If they have anything to say they can get up and I will be glad to hear them in due course. Hon. members on this side of the house, myself included, have been highly critical of the government's incapacity and indecision, of its inability to come to grips with any problem, of the frightful failure it has made in dealing with this human, personal problem of unemployment, with all the misery which that word implies. So I say to the Minister without Portfolio and to the members of his government that we intend to stay in Canada. We have a responsibility to stay under our democratic parliamentary system, and if after an election—which I was about to say can be only weeks away, but perhaps is only hours or days away; I noticed the Prime Minister did not answer the question whether he saw the Governor General yesterday—if after the election we are called upon, we intend to clean up the mess that this government has got our country into. And we intend to do something to cure the unemployment problem.

Mr. Starr: Mr. Chairman, I might say that the reason I gave my consent for the hon. member to have additional time was that he intimated that he would put forward a program on behalf of the Liberal party which he would put into effect should that party become the government, and I am sorry indeed that he took advantage of that time without saying a word about it.

Mr. Olson: Mr. Chairman, since this house went into labour yesterday the pains seem to be coming more frequently and severely. I should like to say that we in this party are not happy with the levels of unemployment which we see in Canada today. Furthermore, whether or not they are less than or equal with the levels of last year, or even the preceding year, is not a valid argument for saying that the levels are all right. I think the Minister of Labour agrees that he is not satisfied with these levels, but I must say in all fairness that some of the charges being made to the effect that nothing is being done simply are not true. I know that there are not particularly large numbers of unemployed in my constituency, but there is far more unemployment than I like to see. I also know that, as has been stated time after time both in this house and outside, even though it may not be as bad as it was at some other time, if you are unemployed it is bad at any time.

There is one other matter we are going to have to give a great deal of consideration to, namely some of the recommendations made in the Gill committee report. This is, in my opinion, a very agonizing reappraisal of the unemployment insurance commission, and if we were to implement these recommendations suddenly there would be some adjustments which would be very painful. I think there are some good recommendations in this report, and perhaps most of them can be implemented gradually. I want to say a little more later on about some of the things being done to try to solve the unemployment problem, but I am not going to let some of the remarks of the hon. member who preceded me pass without a comment or two.

For example, he mentioned the shortage of private capital in Canada as being one of the major contributing factors in the unemployment problem, that is to say, that because of this there are not sufficient jobs being created. He also mentioned—at least, I took this meaning from what he said—that this was also the reason which aggravated the problem of investment of foreign capital in the industry of Canada. I agree that this is certainly true.

I think the reason that private industry has difficulty in finding the long term capital requirements needed for expansion is that the federal government is in the private money market on such a level, forcing the interest rates up to such a level that private industry is a little bit hesitant about taking on long term commitments at these interest rates, which are established in competition with the federal government. I suggest that it is in line with Social Credit policy that public capital for social expansion should be provided by the Bank of Canada, and that the government should move out of the private money market and leave private capital for private enterprise.

There are two or three other points I should like to make. I am not going to speak for very long. One is the matter of the increasing unemployment problem in the flour milling industry. I raise this matter specifically because that is one section in the labour market in which we have steady increases from one year to the next. If you go back and compare this year with last year, last year with the previous year and so on, you find that in each succeeding year more plant capacity is being shut down in this particular industry. What I should like to suggest is that the Minister of Labour use his influence with

the Department of Agriculture and the Department of Trade and Commerce so that in some of these wheat deals we have been making some portion of the total volume could be delivered in the form of flour.

A few months ago I had the privilege of visiting in Africa. In one of the countries there I found a brand new, almost automatic flour milling plant which, in fact, turns out something like 8,000 hundredweight of flour per day. This figure is 2,000 hundredweight per day more than the total domestic requirements of that country. Here we see a situation in which they are importing all of the wheat they need to make flour. They are providing a few jobs, but they are also providing some national income; so I do not blame them for setting it up. However, the fact is that we are supplying them with the raw materials and they are processing them, when we have right here in Canada the plants and the men who could be doing this same job.

I should like to read into the record a little bit of information to show what has happened to the flour milling industry, as of just a few weeks ago. For example, there is one mill in Medicine Hat that is completely closed down. Another one is running at about 50 per cent of capacity. Another one is running at about 55 per cent of capacity. I understand there is a plant at Goderich, Ontario, that is completely shut down and another one at Peterborough that is shut down. There is one at Brantford that is shut down. There is a plant at Port Colborne, with a capacity of 26,000 hundredweight daily which is now operating at a rate of 7,000 hundredweight daily. At Keewatin there is one plant which is completely shut down, and there is another mill which is running only part time. In Winnipeg there is a mill that is being remodelled. It is shut down completely now and is in the process of renovation. It had a capacity of 7,000 hundredweight daily. After the remodelling is completed, its capacity is going to be reduced to 3,000 hundredweight daily. All the mills in Calgary are running much below capacity. There is at least one that is completely shut down there, if not two. The largest mill in Lethbridge, Alberta, is running at below 50 per cent of capacity. This situation is fairly serious. I believe that some relief should be given to this situation if the Canadian negotiators, in our export marketing of wheat, would try to have some flour included in the total deal. I understand that in one of the wheat deals made with red China, for example, one of the provisions was that they should take some of the wheat in the form of flour, but that this has not been done.

We know that there is competition in this field, and I fully appreciate that fact. I believe that the United States government are providing some wheat subsidies that are applied to flour being exported. We also know that there are perhaps some lower labour charges that go into the production of flour in some of these other countries. At the same time, however, since we grow the raw materials here I think we should be concentrating on trying to provide some of the finished products as well.

If I may, I should like to deal just for a moment with some of the things that I think are being done. I am not saying that they are adequate or that they are completely doing the job. However, a few things are being done about solving this unemployment problem. One of the major things that has happened recently is the action that was taken by this government in co-operation with the provincial government in providing vocational training schools and schemes. It was only last week that the keys to the one built in Medicine Hat were turned over to the local school board. I should like to congratulate all of those responsible not only in that constituency but all over Canada for the good work they have done in setting up this kind of plant. We realize that they were breaking new ground nearly all the way. It is a tremendous undertaking to line up courses, curricula, staff and all of the other things required when there is not anything to look at—more or less set up a program to follow, if I may put the matter in that way. For example, for the one in Medicine Hat—and I am not sure that this applies to other schools as well—we had to find journeymen and people who were skilled in many trades and technicians who did not have any teacher training. So they have hired a number of people who had the skills they were supposed to teach, and now they have them on the staff and they are taking teacher training so that they will have the ability to pass that information on.

In Medicine Hat there have been outlined programs which have been prepared with a view to better meeting the ability, interests and needs of six groups of students. They include, first of all, the business education group. Then there is the vocational group, the technical group, the professional matriculation group, the pre-employment group and the adult group. It should be pointed out that these new programs are the inevitable outcome of, for example—at least this is the premise which is used in working out these programs—of the rapid advances in technology which are changing the entire pattern of industrial occupations and the demand for more workers with higher levels of technical knowledge and skills. Then the other problem

they looked at was the school drop-out problem which sees large numbers of young people entering the world of work unprepared to meet its demands. Then there is the need for a new program more adequately designed better to meet the ever widening range of pupil abilities and interests.

In the business education branch, for example, they are working out programs for secretarial training, including shorthand, typing, office practice and so on. They are working out bookkeeping and clerical training, and retail clerical training. Then there is a special one year course for graduate students and those with 70 high school credits will concentrate training in skills for office work. I think this program is very important but there are other programs and other parts to the programs. There are industrial, vocational and beauty culture programs, and in this particular area I do not believe there is any precedent anywhere in Canada as to what might be included in the programs to turn out students with the required skills. As I mentioned, there is a technical and vocational program and with regard to this particular segment I think this short paragraph is rather significant. They say that prospects for employment for this technically trained group are excellent, and go on to say:

> Up until about 1959 a large percentage of our technicians came to us from Europe and the British Isles. This is no longer the case and Canada must educate its own technicians.

Obviously we have the people in the ranks of the unemployed and if they take this training Canada will not only be provided with people to do the work in this field but we will also not have to bring in people to do these jobs, though I have no objection to immigration at all. They are also setting up three and four year matriculation programs for those who would like to enter a profession, as well as pre-employment programs and adult education programs that will be carried on at different hours when the school is not being used by the regular students.

There is only one other point I want to make and that will conclude my contribution to this debate for the present. While I was overseas visiting some of what have been commonly referred to as the emerging nations of Africa I was struck immediately by the almost complete lack of a middle class in their social and economic structure. In Nigeria, for example, they have opened five new universities in the last two and a half or three years or since the program started. This will certainly provide highly trained persons in specialized fields and perhaps in general as well, but there is a problem in that large numbers of workers are required to provide the supporting administrative staffs for these university graduates. They do not have any facilities for training this type of student.

It must also be recognized that the entrance requirements for vocational training schools would be substantially lower than for universities and such schools widen the possibilities for people without university qualifications to get some kind of training that will fit them for a useful life. I believe that those of us who have looked at the new vocational training schools recently built in Canada are aware that there is space available for a greater number of students. I am not too familiar with the situation in other parts of Canada but I know that in Alberta so much capacity has been provided that some of it will be unused in the immediate future.

I should like to suggest to the Minister of Labour that through the Department of External Affairs the government invite some of these countries to send students to Canada to make use of the extra capacity we have now, because I really believe that there is a very great need for technically trained people in those countries. Certainly it would be a great contribution toward helping them to help themselves. We cannot provide all of the technically trained people they need to operate their industries, but we can invite them to send some young people here who will undertake to learn a trade and acquire teaching skills so that they can go back to their countries and in turn train more people.

In my opinion this is by far the best kind of foreign aid that Canada can provide, the kind of assistance that will help these people to help themselves. They do not want us or anyone else over there running their affairs for them, but they recognize that we have made advances in education and technical skills from which they can profit. It is our responsibility to help them and I hope that something can be done to invite these governments to make use of the facilities we now have. As I said, I do not think we are going to be able to use all of our capacity immediately.

(Translation):

Mr. Deschatelets: Mr. Chairman, I listened very carefully to the speech made by the Minister of Labour (Mr. Starr) last January 30, when he introduced his department's estimates. His remarks were impatiently awaited because the unemployment situation remains serious in our country.

The minister spoke about the activities of his department in the fields of research, economics, conciliation, civilian retraining, etc.

All these subjects are no doubt interesting but, as the representative of a riding made

up mostly of working people, like many of my colleagues, in the name of the unemployed who have been forsaken in the last few years by the Conservative government, I must complain once again about the complete lack of interest shown by the minister, once more, in the speech he made last Wednesday about the most important problem in Canada today, that of unemployment.

In fact, when the minister states that the unemployment problem is serious, we would expect him to show us, through his estimates, that short-term concrete steps are being taken to deal with that situation immediately.

Well, apart from the winter works program to which I shall refer later on, the minister has done nothing except leave the unemployed to their own fate and, unless favourable circumstances come up unexpectedly, circumstances with which the Conservative party will have had nothing to do, we shall have to face the fact that those unemployed will receive, this year, nothing but their unemployment insurance benefits and unemployment assistance payments.

To my way of thinking, Mr. Chairman, it is time the government should realize that the unemployed cannot pay his rent, his doctor and even less his grocer with statistics.

I said earlier that the unemployed was left to his fate because this year the government brings in no new short term measure to solve that problem and it is quite easy to prove it.

In fact, the 1962-63 estimates exceed by only $47 million those of 1961-62. Now, I challenge the Minister of Labour to prove that a substantial portion of those $47 million will be used to implement short term projects which will be of some assistance to the unemployed in this country before the year is out.

Mr. Chairman, we cannot expect a substantial increase in the winter works program this year, and the minister knows it. If you refer to page 3268 of *Hansard*, you will see that the federal contribution to those projects will amount to $35 million while they amounted to $34 million for the fiscal year 1960-61.

Again I ask the question: apart from the winter works program, what short term measures is the government considering to help the unemployed? The answer is none. There were none to be found in the speech from the throne, none in the minister's statement. We shall again have this year the same situation in this respect that we had last year and the years before.

We know that the minister, in all his statements, stresses the fact that there has been a continuous increase in the number of people in Canada who are working. As if there was anything new in that, when in a country such as ours there is a constant natural increase in population. I submit that this is a very poor screen to use to hide not only an unfortunate situation that has been going on for too long, but also the government's inaction and lack of imagination and boldness concerning the unemployment problem.

What is, in fact, the extent of unemployment right now, in February 1963? What do the statistics show? That, possibly, is the most important aspect of the question, but the minister carefully avoided it in the speech he made on January 30, as shown on page 3272 of the official report, where he said:

> In December unemployment reached a total of 6.3 per cent of the labour force, compared to 6.4 per cent a year earlier and 8.2 per cent in 1960.

How can you discuss intelligently a problem such as unemployment if you do not know its scope and its ramifications? At the end of January 1963, I asked the following question: How many unemployed are drawing unemployment insurance benefits in Canada?

How is it that the Minister of Labour (Mr. Starr), who answers in the house for the unemployment insurance commission and the national employment service, cannot tell us, in introducing his estimates, how many unemployed are drawing unemployment insurance benefits in Canada right now? Why conceal that information which I consider as essential to all these discussions on unemployment?

But I should like to discuss that matter a little further. A few days ago, on January 28, I put question No. 1,324 on the order paper and asked the minister for the following information:

> What are the latest statistics of the unemployment insurance commission concerning the number of unemployed persons who are receiving unemployment insurance benefits?

The minister answered that at the end of November 1962, the number was 347,000.

Now, I ask the minister this question: How can he explain that concerning such an important matter, the only statistics available to answer my question of January 28 were those available at the end of November 1962?

Is it that our employment service or the unemployment insurance organization is so

inadequate that it is impossible for a member of parliament to know the number of unemployed receiving benefits for a period of less than two months? I do not believe that.

I know that the minister has the most recent figures in hand. I know that every week he gets figures from the various offices.

It is, I think, very strange and most unfortunate that members of parliament are unable to secure the information they believe necessary, at least in a discussion like the one we are having now.

(Text):

Mr. Starr: I should like to interrupt on a point of order. The hon. member just stated he knows—I repeat he stated he knows—I receive these figures each and every week. If that is the case, I would ask him to give me some specific proof how he knows that I do.

Mr. Deschatelets: Well, Mr. Chairman, we are going to deal with this on a different basis. Now that the minister is adopting this attitude I want to know, and I am entitled to know, the number of persons drawing unemployment benefits in Canada. I should like to have the latest figures. Now, is the minister aware of this? Is he able to give us these figures at a time when we are discussing his estimates? This is what I should like to know, and then I might come to another conclusion.

Mr. Starr: I asked the hon. member to give me proof how he knows that I get them each and every week.

Mr. Deschatelets: This is an extraordinary attitude on the part of the minister.

Mr. Starr: You made the charge.

Mr. Deschatelets: He is asking a member to prove that the minister is receiving weekly reports from his officers. I have said this and I am going to repeat it and the minister can do what he likes: The minister is receiving from the officers of the national unemployment service weekly figures about the unemployment situation. The thing I deplore is that members of parliament are not being made aware of these figures so that they can discuss these estimates in the way they should be discussed. Now, this is an important aspect of this point.

(Translation):

Mr. Chairman, on January 28, I finally put a question to the minister, asking him what were the unemployment figures registered in our unemployment insurance offices regarding the number of unemployed people. The results were the same as those I had had for November 30.

But, in any case, we are sufficiently aware of the facts to be able to put the blame on the department, not only on account of the scanty information it gives the members but also on account of its inaction, of its lack of administrative ability and originality in the means that should be taken to deal with such a situation.

Mr. Chairman, on January 30, I also put a question on the order paper regarding the unemployment insurance fund. I was told that as of December 31, the fund amounted to $98 million. The same question comes up now. We are at present examining the estimates of the Minister of Labour. Would it not be normal for us to know, on this February 1, 1963, the balance in hand in the unemployment insurance fund?

I understand that loans totalling $262 million have been made to the fund and that these amounts have been paid back. But I should like to know from the minister, at the closing of his remarks, why, during his speech, he avoided mentioning such an important question as the unemployment insurance fund.

I listened to his speech, I read it again and I do not even find one reference regarding one of the most important questions concerning the Department of Labour.

In 1955 and 1956 we sat together on the industrial relations committee and I clearly remember that the government actuaries told us then that if the unemployment insurance fund stood at less than $500 million it was in a precarious position. Therefore, I say this to the minister: What steps does the government intend to take in order to restore to its proper balance the unemployment insurance fund?

Here is another important problem that the minister avoided mentioning and I take this opportunity—

(Text):

Mr. Starr: Mr. Chairman, the hon. member wanted to know what is the balance in the unemployment insurance fund. The answer was given to him in a reply by the parliamentary secretary to the Minister of Finance as reported at page 3259 of *Hansard* for January 30.

Mr. Deschatelets: Mr. Chairman, I am afraid that the minister was sleeping during the last few minutes I was speaking. I have already said I asked this question and that I received an answer. I had even mentioned that the amount is now $98 million. That is not the point. I say to the minister that he

has not mentioned this insurance fund in his speech. It should have been a topic of his speech because of its importance. We have only $98 million in it. This is the point and I hope the minister will follow my speech more closely from now on.

(Translation):

Mr. Chairman, I was saying that there are now only $98 million in the unemployment insurance fund, and I would like to stop here for a moment to recall a particular fact to the Conservative and Social Credit members who are conspicuous by their absence.

When the Liberal administration is blamed for unemployment, I ask them to remember a very important fact: when the new administration took over in 1957, there were $926 million in the unemployment insurance fund. Thus, if there had been anything but full employment in Canada during the years preceding 1957, that fact would obviously have been reflected on the unemployment insurance fund.

Now, if one considers that we had then $926 million in the fund, that answers the childish argument often raised by the hon. member for Villeneuve. So, Mr. Chairman, we must make the best of it.

The only short term concrete measure which the government has to fight chronic unemployment, is the winter works program. We know that only an extension of the scope and duration of the program could constitute a short term measure likely to improve the situation.

Even though I have never considered them as anything more than an unemployment index, the figures published by the dominion bureau of statistics show most eloquently that we have a serious situation on our hands.

Mr. Chairman, a few years ago, the present Minister of Labour claimed that there was a state of national emergency when, in 1954 and 1956, the unemployment level reached only half of what it is today. He seems to have forgotten the speeches he made in those days.

Mr. Chairman, we must realize that the government is at present going through a most serious crisis. I know that if I was unemployed I would consider myself in a desperate situation. There is nothing to expect from the government which has remained at the helm because it had the support of the Social Credit party about which I will have a few things to say in a moment.

I hope that in the near future the voters of this country will be given an opportunity of electing a stable administration, a majority government and none but the party I belong to will ever be able to lead this country toward prosperity because it will prove that if in the past it has succeeded in creating full employment in a country such as Canada, it can repeat the performance.

Mr. Chairman, I admit that the government pays 50 per cent of the labour costs involved in the winter works program, but I wish to point out to the minister that the government of the province of Quebec is the only one to supplement this program with a 40 per cent contribution program of its own.

An hon. Member: And what did it do?

Mr. Deschatelets: Has the question been put? I would like to say a few words on unemployment in the province of Quebec, Mr. Chairman. Its causes can readily be traced. For several years, the provincial authorities refused to accept from Ottawa the money which Quebec taxpayers contributed to the federal government's coffers, and which they were entitled to get back in part. Take for instance the trans-Canada highway: Quebec received only a few million dollars, while Ontario received $108 million.

I submit that the situation is serious. The government would do well in expanding its winter works program. We should have emulated the Kennedy administration, which lost no time in launching a program of on-the-spot inquiries, in the sections where unemployment was heavy. I think that in the provinces which, today, are suffering much more than others, we might have extended this works program over the whole year and also doubled the government's share.

If the winter works program costs the government $35 million, I think nobody can pretend that we cannot double our contribution in the present circumstances when provinces like Quebec, for instance, and others, are facing the most acute unemployment problem.

Mr. Chairman, I would now like to say a word about our hon. friends of the Social Credit party. I want to tell them that they are quite as responsible as the Conservative members for the present situation. They systematically supported this government, when they were quite aware that the throne speech mentioned nothing but the winter works program to solve the unemployment problem.

The unemployed in Canada will not forget that if the government has been able to

hang on to power these last few months, if it has been able to survive in spite of its inaction these past few years, it is thanks to our Social Credit friends who have placed the interests of their party above those of their country.

This is the last opportunity I will have to remind the hon. member for Villeneuve (Mr. Caouette) that the first duty of a member of parliament is to attend the sittings of the house, not to look after the organization of his party.

Mr. Chairman, the Social Credit members who have participated in this debate on unemployment would have us believe that the solution is to be found in their monetary theory. I do not have the time to challenge that contention now, but I should like to ask the hon. member for Villeneuve—

The Deputy Chairman: Order. Perhaps the house would find some advantage in listening to the hon. member for Maisonneuve-Rosemont. His remarks seem to create unusual interest, but we can hardly hear him on account of the noise. I would therefore ask the hon. members to listen closely.

Mr. Deschatelets: According to the Social Credit members who spoke during this debate, the adoption of their monetary theory would be one way of creating full employment in Canada. If the hon. member for Villeneuve does participate in this discussion, I would ask him to comment on the following. During the last election campaign, when he stated before Canadian workers that the monetary theory of Social Credit would be one way of fighting unemployment, why did both his leader and himself hide from their audience that in 1956, their monetary theory was condemned as inflationary by a royal commission in New Zealand and that since then, Social Credit has never been heard from in that country? I ask the hon. member for Villeneuve why he tries to deceive the people by telling them that his theory could solve the problem.

Mr. Chairman, in concluding may I say this: My hon. friends of the Social Credit should not worry, they will soon pay for having supported a government which they knew very well was unable to settle any situation at all; but they did it precisely in a petty party interest.

I am convinced this is the last time we shall have the opportunity of studying the estimates of the Department of Labour. The situation is hopeless. The unemployed have completely lost confidence and hope in the government. They will soon be asked to judge it again and they will take advantage of the occasion to judge also the hon. members of the Social Credit who, to this date, did but one thing in the House of Commons, namely fill the shoes of the Conservative members they had defeated.

[Mr. Deschatelets.]

Mr. Valade: Would the hon. member allow a question? Does he agree with Mr. Lesage that unemployment is a provincial responsibility, as he said during the 1960 election campaign?

Mr. Chevrier: He never said that.

Mr. Deschatelets: The hon. member is giving me the opportunity of paying tribute to the premier of Quebec, for the courage he has shown in this regard. In fact, he was the first among all provincial premiers, to recognize that unemployment was a national problem, that could not be solved without the co-operation of the federal, provincial, and municipal governments.

Mr. Valade: I have asked a question to the hon. member for Maisonneuve-Rosemont and the hon. member for Laurier has replied that Mr. Lesage had never said that, while the hon. member for Maisonneuve-Rosemont replied that it was a provincial responsibility. I should like to know who of the two is right?

Mr. Chevrier: Mr. Chairman, if you will allow me, I will say that the question was badly put, because the hon. member has asked whether Mr. Lesage said it was a provincial responsibility. Mr. Lesage never said that; he said it was a responsibility which must be shared between the three levels of government, as my colleague has just said.

(Text):

Mr. Knowles: Earlier today my colleague the hon. member for Vancouver-Burrard pointed out that yesterday and today we have been discussing two of the most important questions which are facing us, on the one hand the question of what we are going to do about nuclear weapons and on the other hand the question of unemployment, the subject which has occupied most of our time today.

I find it interesting that this parliament, for all its faults, has been discussing these two important questions yesterday and today. I find it particularly interesting in view of the rumours and reports which are drifting into this chamber.

About half an hour ago a report came in that the Prime Minister was at government house. I suppose he was just taking tea with the Governor General or recommending some appointment, but he could have been doing something else. The most recent report is that he is back in the east block.

Some hon. Members: Order.

Mr. English: What is the hon. member talking about?

Mr. Knowles: I am talking about the labour estimates.

Some hon. Members: Oh.

Mr. Knowles: I am beginning to wonder, in view of the reports that are coming in, whether this parliament is going to have a chance to complete the labour estimates or any other estimates. As a matter of fact, the prediction I made on December 17 may well come true. Maybe we shall go through the fiscal year 1962-63 without parliament approving the estimates.

Mr. Pickersgill: I wonder if the hon. gentleman will permit a question. Does he know of a rumour, widely current, that the Prime Minister has already slipped through the tunnel to the West Block en route to an unknown destination?

Mr. Knowles: Apparently the hon. member has had an even later report than I have had.

An hon. Member: He has a pipe line.

Mr. Knowles: I am reminded, of course, that this is February 1, 1963, and that on February 1, 1958, just five years ago today, the Prime Minister went to see the governor general of that day and at six o'clock made an interesting announcement to the house.

If these rumours and reports foretell what we are going to be doing in the next couple of months, I am glad that we have had before parliament in these two days these two important issues, one concerning nuclear weapons and the other the question of unemployment. I urge most strongly on all members of this house in all parties that they should throw away some of their prejudice about words and do some really hard thinking about ways and means of providing full employment.

I listened with a great deal of interest to the speech made a little while ago by the hon. member for Davenport. I felt, as I sat here, that I was watching an idea struggling to be born in the mind of the hon. member. He expressed great concern about unemployment and about the numbers of Canadians without jobs, and insisted that it was not good enough for us to shout across the chamber at each other about it, but that we must do something about unemployment. In particular, he called upon the government to do something about unemployment. He said by way of defending his own party in the matter that some of the members of his party had discussed this question and had made plans to deal with some of the problems which affect our economy. A little later, after he bowed three times in the direction of private enterprise, he got bold enough to say that it might even be necessary to invest large sums of public capital in our economy to provide jobs for our people.

As I say, I enjoyed watching an idea struggling to come to birth in the mind of the hon. member for Davenport, but as he made his speech he carefully avoided facing up to the fact that if we are to do something about full employment we have to go in for democratic economic planning. Members of other parties, though they know that something of this sort has to be done, still regard these words as something to shy away from, because of their loyalty to the kind of system we now have. From the speeches which have been made today on all sides about the importance and urgency of the unemployment problem, a problem which may be talked about a good deal in the next couple of months if today's reports have anything to them, it must be realized that if this problem is the serious one it is in our country it is not good enough to go on arguing about statistics and the amount of money in the unemployment insurance fund. Surely the time has come for that sort of over-all economic planning which will get our economy rolling and provide a situation in which, as one of my colleagues said this morning, there are more jobs than there are people to fill them. Only when we reach that stage will we be in the position of having full employment in this country.

In addition to this problem there are many other items of unfinished business as far as the Minister of Labour and his department are concerned. There is the question of doing something about labour legislation in the field of minimum wages, statutory holidays, and holidays with pay. Then there is the question of improving the vacations with pay act. Improvements need to be made so far as government legislation is concerned in the provisions for collective bargaining. The time has come for the government to pay heed to principles it supported at the international labour conference with regard to consultation among government, employers and labour in the matter of employment. All these are things which affect our people. The time has come to do something about the Unemployment Insurance Act. It is strange that with the Gill committee report in front of us, the Minister of Labour found it possible to make

his opening remarks the other day without indicating when the government planned to act on that report by way of legislation.

I promised myself, Mr. Chairman, even if I did not promise the committee, that I would make my remarks brief at this point, and I intend to do so. But I do urge that this whole problem of unemployment be looked at not just as something to talk about or as an area in which we argue over figures, but as a problem which calls for the best thinking and brains which we have in this country, and for sound over-all economic planning.

I am glad to see that the Prime Minister is back in the chamber. This at least puts a stop to any more rumours that he is at point A, B or C. He is now here and can tell us later, if he wishes, whether he has seen the Governor General, whether he has been through the tunnel, and so on. If that is so and if the event of February 1, 1958, is to be repeated on February 1, 1963, the people of Canada will get the chance to hear from all parties in this country where they stand on the important issue we discussed yesterday and on the important issue of full employment which we are discussing now on these labour estimates.

The Chairman: The hon. member for Port Arthur.

Mr. Fisher: Mr. Chairman—

(Translation):

Mr. Caouette: Mr. Chairman—

(Text):

Mr. Fisher: I suggest that the hon. member for Villeneuve might be interested in letting me have the floor first, since my remarks will be in relation to him and he might want to come along afterwards and catch up.

Mr. Caouette: How long will you be?

Mr. Fisher: Ten minutes.

The Chairman: I am sorry. I did see the hon. member for Port Arthur first, but it should be a member from the Social Credit party.

Mr. Caouette: If I am going to lose my turn I would prefer to take it now. But if letting the hon. member for Port Arthur go on means it is not possible for me to go after him, then I prefer to go now.

The Chairman: I am advised by the Clerk that there is a member of the Liberal party who will rise after you, so I suggest you take the floor now.

(Translation):

Mr. Caouette: Mr. Chairman, it was not my intention to take part in the debate on the estimates of the Department of Labour. But after hearing the rather humorous and strange remarks of the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets), a Liberal member as one might expect—who stated that Social Crediters in this house were more concerned about the party's interest than the country's—I feel I should say a few words. The hon. member should know something about the policy of putting the party's interest before that of the country for a great number of years, in fact for over 22 years, he followed it himself within the Liberal party, when he sat in the Canadian parliament.

He added that the hon. member for Villeneuve was seldom in the house and that he was doing organization work for his party.

It is obvious that we want to get rid of incompetents like him in this house. This is very definite and quite in order. Besides, I said it publicly and I repeat it in this chamber: Elections are not won in the house, they are won outside. But I still come to the house often enough to take part in the debates and I have spoken more often than the hon. member himself since he has been sitting here.

Moreover, when he says that we deceive the voters by supporting or voting with the Conservatives when want of confidence motions are presented, I point out to the hon. member that we do not deceive the voters, that we think first of the interest of the country, and that is why we do not play the Liberals' game when they try to set traps for us, here and there, in order to catch off guard the members of the other opposition parties or even some government members.

Mr. Chairman, those considerations will enlighten the public on the attitude we have taken in the house. That does not mean that we support the government as such.

A moment ago, the hon. member for Winnipeg North Centre (Mr. Knowles)—

(Text):

The Chairman: Order. I think the hon. member will agree that the Chair has allowed him a lot of latitude up to this moment. I think perhaps he should now get back to item one of the labour estimates.

(Translation):

Mr. Caouette: Mr. Chairman, those are remarks which you have allowed the hon. member for Maisonneuve-Rosemont to make a moment ago. If the hon. member has the right to attack the member for Villeneuve, I wonder why you would prevent the latter from replying adequately to the former.

(Text):

The Chairman: Order. I should advise the hon. member for Villeneuve that the Chair is being very tolerant. I realize that during the last part of the speech of the hon. member for Maisonneuve-Rosemont I allowed him some leeway, but I hope the hon. member for Villeneuve will come back to vote No. 1 of the labour estimates as quickly as possible.

(Translation):

Mr. Caouette: Thank you, Mr. Chairman.

I come back at once to the subject matter of the debate, the estimates of the Department of Labour. We get more and more complaints from everywhere. I receive complaints from my constituents, of course, but many of them come from all over the province and all over the country. They are directed against the Department of Labour which does not seem to understand its responsibilities with regard to Canadian workers.

For instance, this sad story appeared on page 3 of the Ottawa *Citizen* of yesterday:

(Text):

An unemployed father of five school-age children, who says he cannot find work, was sentenced to 40 days in county jail this morning for defrauding the unemployment insurance commission.

George David, 55, of 45 Skead rd., was sentenced to five days in jail on each of eight charges to run consecutively. He pleaded guilty to receiving an overpayment of $181 from the commission.

"I can't look on this as anything but eight cases of outright theft," said Magistrate L. A. Sherwood.

(Translation):

Mr. Chairman, I do not wish to discuss the legality of the sentence imposed on a 55 year old man, a father of five, who was charged with over-collecting an amount of $181, while he claims that he has already paid back $39. But when a man who is unemployed and collects $181 from the unemployment insurance commission is prosecuted and sentenced to 40 days imprisonment, I say to myself that the unemployment insurance commission, which comes under the direct jurisdiction of the Minister of Labour, should change its attitude or its rules so that our Canadian fathers are not treated that way right here in the Ottawa-Hull region, or indeed in any region.

And the article goes on:

(Text):

He said that up until last year he had worked all his life and never drawn unemployment insurance.

David claimed he didn't understand papers he signed which stated he did not have employment while he was collecting the insurance.

"They said to me 'you're good for collecting for one year'," he told the magistrate. "I thought it was money coming to me. I am on relief and unemployed."

He is on relief and unemployed, with five children and his wife at home. The article continues:

The accused said he had gone to two Ottawa controllers for work "and they turned me away."

"When I went to the unemployment insurance office they told me I was too old," he said.

That is at 55 years of age, Mr. Chairman. I would ask you to take note of that. We all know that at 55 years of age you are too old right across Canada today. This is why we think the Minister of Labour should look a little more closely at the social legislation in our country. The article continues:

"My lights were shut off and my children were hungry."

David said his children range in age from five to 12 years.

Hugh Johnstone, an investigator for the UIC, said David had made the statements "and he knew what he was doing".

At one point David and Johnstone were shouting at one another across the courtroom, David claiming he had repaid $39 and Johnstone claiming he had not.

John Murchison, lawyer for the accused, asked the UIC investigator if leniency "or a blind eye" was not sometimes shown by the UIC in some cases.

"I've never known that to happen," was the reply.

David said when he went to the UIC "I gave the lady my book, she stamped it, and that was all there was to it".

However, that man with a family is in jail. He is in jail for 40 days accused of having committed what they call a theft of $181. We have seen many cases like that one, not only here in Ottawa but across the whole country.

(Translation):

Mr. Chairman, it seems to me that the Unemployment Insurance Act should be amended.

We are at present discussing the estimates of the Department of Labour. These amounts have already been spent. In Canada, from coast to coast, winter works are in progress.

Some minutes ago, the hon. member for Maisonneuve-Rosemont told us that we should extend and expand the winter works program. Personally, I feel that all that program can do is help out momentarily a very small portion of the Canadian population; it cannot solve the hard core of our unemployment problem.

I am convinced that there are other ways. By all means, let us pass the estimates, and pay back those provinces which have taken part in the winter works program. But it is imperative to modify the labour legislation if we want to avoid in the future cases like the one about which I was telling the house.

I believe there is enough room in Canada outside jailhouses to allow individuals to select their own kind of work, instead of condemning them to prison under the pretence that they have obtained sums that were not due to them at the time.

Mr. Chairman, Social Crediters have neither a pro-government nor an anti-government attitude. They take solid stands to secure the enactment of a labour legislation which would enable Canadians to find work, live in comfort with adequate means in a country capable of offering each and everyone of its people freedom over and above security.

(Text):

Mr. Davis: We have heard a great deal about unemployment during this session. On innumerable occasions we have been told that this is our No. 1 problem; that it is a terrible thing; that it bears in on the lives of hundreds of thousands of Canadians; that it destroys their personal freedom and their will to live. We have also heard that we should do some hard thinking about this problem. We have heard a great many words in general terms about solutions. Certainly we have had the blame placed by speakers for each party on all the other parties in the house.

I should like to speak briefly this afternoon about a few tangible things that can be done about unemployment in areas in which a great number of people are out of work. We do not want government in all phases of industrial activity but government certainly must participate and is going to have to participate effectively when there is substantial unemployment, and in places where many people are out of work.

There are vast projects which are possible, the timing of which can be advanced by government investment at an early stage, perhaps in research, certainly in construction. One of the largest projects which could appeal to Canadians in the immediate future is the construction of a crude oil pipe line from the west in northern Alberta to the Montreal area. In the west of Canada we have in the Athabasca tar sands an oil reserve which is as large as the proven oil reserves of the conventional type in all the rest of the world, and processes are currently under development which promise to result in the production of that oil at a reasonable price.

There is the problem of disposing of the oil in Alberta. There is too much oil now and if the oil from the tar sands were suddenly to bear in on markets now available to the conventional oil producers it could create chaos. Why not gear a large pipe line development to that oil resource? Support, if necessary, research in the processing of that oil from the tar sands and make the oil available to Montreal in a market which constitutes nearly 40 per cent of the Canadian requirement. This market is largely supplied at present from Venezuela and the Middle East. This would mean not only the saving of hundreds of millions of dollars in foreign exchange and help our balance of payments but would also mean several thousands of continuing jobs in northern Alberta. A vast complex would evolve there financed, principally, I believe, by private capital and of the order of the development in Sarnia, Ontario, today. During the construction phase the vast steel companies at Hamilton and Sault Ste. Marie in the east would be busy producing steel, cement companies would be producing cement and other companies would be producing other construction materials and certainly machinery and equipment would be in great demand.

This type of development can be promoted by public investment if private capital is not immediately willing to carry out the entire project. Certainly it will be supplemented by private investment. This is the type of thing which a government concerned about unemployment would investigate seriously now and have under way in the next few years if we continue to have 5, 6 or 7 per cent of our labour force out of work.

There are other projects. Our uranium mining industry was geared to a sudden requirement of large proportions in the United States. That requirement has largely ceased. United States mines are supplying that which remains. Our uranium mining industry has been laying off people and will continue to lay off people. What can be done? I believe government can do something about this. We do not have within the borders of this country a processing facility for converting uranium into the enriched high grade forms which are necessary for many types of power reactors. Europe will be the first to require nuclear power on a large scale. Certainly we will want to sell to Europe and today we cannot. We cannot sell because we have to sell to the processing plants in the United States owned by the American government. The priority, therefore, obviously is to the American mines.

So I believe that government finances may be necessary in order to build a processing facility such as I have in mind. This would be of the order of an Arvida or a Kitimat. In a period of five to ten years it would provide jobs for 5,000 to 10,000 people. This is the type of thing which government may have to get into, perhaps totally in the early

stages because of the element of secrecy involved, but this would provide a real hope for our uranium mining industry. This is the type of tangible project that we should be talking about rather than generalities or general policies with little meaning.

There are other projects. Research and development should be aimed, I believe, at the processing of the ash from some of our western Canadian coals. In these ashes lies an aluminium source of the type that the Germans used to make aluminium during the last war. We do not produce any of the aluminium source materials in this country. We bring in all our bauxite and alumina from the Caribbean and from Africa. Our mines branch could, by investigating processes of this type, make possible a large aluminium industry based firmly on the coal resources of western Canada. Tremendous resources of this type exist and I believe that there we could have substantially self-sufficient industries which did not involve foreign exchange and which did not involve our purchasing materials outside our country and providing employment outside our country, but rather jobs right here in this country. We have these great possibilities.

The Columbia river treaty could result in a series of projects of the dimensions of the entire Ontario hydro installations today. Literally thousands of people would be employed within the next few months, certainly within the next few years, in the construction of these projects and this great international development. I believe that with good will on all sides, not only across the border but between parties in this house and between governments in this country vast projects of that type could get under way and more work could be provided in areas of serious unemployment.

Governments have to get together. Certainly the province of British Columbia has not been working very well with the government in Ottawa and, I suggest, vice versa. I believe it is possible for instance, on the river with which I am familiar, the Fraser river, to have great multipurpose developments not only for power projects but for flood control, irrigation and so on. The northwestern corner of the United States has been favoured because Washington has looked on that part of the United States as an area in which to stimulate this type of multipurpose development by providing low interest loans and by providing engineering, economic and research services free through the United States army corps of engineers. We could do this through some other governmental device in this country.

We could get other major projects going. The North and South Saskatchewan rivers are interprovincial in character. Multipurpose developments are possible there. Certainly developments of a similar character are possible in other provinces, including the maritimes where unemployment is a serious problem. I believe these projects could provide tens of thousands of jobs, but of even greater importance in terms of greater employment are our service industries. Tourism is one of these. In the Vancouver area we have a remarkable situation. Few people who did not live there would believe that most Canadians there go to the United States to ski. They go south of the border for their winter sports. Yet within a few miles of Vancouver we have some of the finest scenery in the world. Federal and provincial co-operation in respect of highways and in the development of park areas could provide not only great immediate employment opportunities but the springboard for great service industries, a great tourist industry, a great convention centre industry in that part of the world. The west coast has a great deal to offer and it can offer many more jobs sooner if vision of that type is shown.

We have heard a great deal recently about the national economic development board. Perhaps it will supersede the national productivity council, but under its terms of reference projects are mentioned. I have mentioned a number of projects of the type which can be carried forward. I hope that the Department of Labour, through an effective minister of labour and an effective staff, will be able to spot these projects, assist other departments to find projects and work as well with industry and labour in order to bring forward the types of schemes which can provide many jobs.

Government initiative is needed. Certainly government planning is needed. I believe we should rely wherever possible on private enterprise and private initiative, but in the private enterprise economy there has been at least periodically serious unemployment and we must deal head on with this problem.

I believe the keynote really is co-operation between government and industry, goverment and labour, between governments in this country and, in view of the incidents of the last few days, between governments across international boundaries. I think that with the will to co-operate we can beat this unemployment problem and I hope this afternoon I have given a few tangible ideas as to how we can get at it soon.

Mr. Fisher: Mr. Chairman, I want to speak in connection with an act that is administered by the Department of Labour, the Industrial

Relations and Disputes Investigation Act. This is a rather fantastic situation in which I am involved personally, and in order to put the situation into focus I have to put on the record a letter from 2167 Barnes street, Montreal, dated October 20, 1962. It is addressed to Mr. John M. Paquet, national president of the Canadian trainmen's union, 344-15th street, Limoilou, Quebec. This letter is signed by J. Earl White, national organizer of the Canadian trainmen's union. It reads:

Dear Mr. Paquet:

Re: Interview with Messrs. Robert Beaule and Mr. Real Caouette.

After our meeting in Quebec city on October 17 I took your letter of introduction to Mr. Beaule and arrived in his office the following morning.

I was promptly received and discussed the C.T.U. platform with Mr. Beaule. He was quite familiar with it and is prepared to support the cause for which we also fight.

Mr. Beaule asked me to wait in his office and he searched around the building until he found Mr. Caouette. They returned to Mr. Beaule's office.

The interview with Mr. Caouette was very brief. I asked him first if he was familiar with section 6 of the Industrial Relations and Disputes Investigation Act. He was quite familiar with it and very much opposed to the compulsory feature of it because the compulsory feature took away from Canadian labouring men the rights supposedly given to them in the Canadian Bill of Rights.

I told Mr. Caouette that I believed that 80 per cent of Canadian labouring men were opposed to compulsory membership and compulsory dues, because it weakens rather than strengthens labour unions in their dealings with management.

I suggested that his party should advertise their support of a change in the industrial relations act to eliminate compulsion. Mr. Caouette stated it was already the policy of his party and that they were doing a great deal about it.

I suggested that his party should arrange to interview 100 labour union members by picking them at random on the street in various Canadian cities. I told him that I was convinced that he could draw large numbers of votes away from all the political parties and in particular the New Democratic party—if he made it clear that he favoured democratic Canadian labour unions.

I then asked him to introduce in the House of Commons an amendment to the industrial relations act at this session of parliament, because Prime Minister Diefenbaker must respect the wishes of the Social Credit party if he wishes to remain in power.

Mr. Caouette thanked me very profusely for the suggestion and he stated that he would recommend it to a caucus of his party and that he was quite sure that positive action would be taken on the suggestion in the near future.

Just as we shook hands and Mr. Caouette was about to depart a man appeared at the office door looking for Mr. Caouette. Mr. Caouette invited him to come over to where we were and then invited us all to be seated. This man was a stranger to me and I was not introduced to him. Mr. Caouette then asked me to repeat what I had just suggested to him. I did so and finished up by saying that as far as the labouring vote was concerned his party could massacre the other three parties and especially the N.D.P. Mr. Caouette thanked me again and left the office with the stranger whom he still did not introduce.

[Mr. Fisher.]

After they were gone Mr. Beaule asked me if I knew who the man was and I admitted that I did not. Mr. Beaule then told me that the stranger was Mr. Douglas Fisher, M.P. for Port Arthur and a top rank leader in the C.C.F. party.

Mr. Beaule assured me that Mr. Caouette is a very smart politician and that he is sure that he has a very good reason for letting Mr. Fisher know immediately on what basis he proposes to put pressure on Prime Minister Diefenbaker.

I cannot imagine what Mr. Caouette's strategy is other than to cause the New Democratic party to vote to support Diefenbaker in a vote of confidence over the question of compulsion in our so-called democratic American labour union. Such a development could prove to be very embarrassing to the N.D.P. and the C.L.C.

I am arranging to send a supply of C.T.U. letters and miscellaneous material to Mr. Beaule. I was very pleased to observe that he already had a file of considerable proportions—thanks to your initiative.

The developments presently occurring in the House of Commons are encouraging in the extreme.

As I said, Mr. Chairman, this letter is signed by J. Earl White, national organizer of the Canadian trainmen's union. There are a couple of things that need to be put into focus here. This letter came to me from a union organizer or representative in the Quebec city area. He informed me that it has been distributed fairly widely amongst railway employees in that part of Quebec, particularly on the Canadian National Railways. It has been distributed with the argument that here, in effect, is a New Democratic party member visiting Mr. Caouette and apparently approving of Mr. Caouette's views that section 6 of the Industrial Relations and Disputes Investigation Act should be altered so that there is no check-off of dues allowed to any unions which come under federal jurisdiction.

Now, Mr. Chairman, this is a fantastic conclusion to draw from what I am sure the hon. member for Villeneuve will remember and acknowledge was an innocuous visit on my part to his office in order to chat with him about some ideas he wanted to express to me if I was going to write an article in a newspaper about him. I think the hon. member will acknowledge that. To find, as a result of that very brief visit to interview Mr. Caouette about some information for a newspaper that I am identified with the Social Credit party's view on breaking an important part of the Industrial Relations and Disputes Investigation Act is just going too far.

I am not attempting, Mr. Chairman, to make accusations where the hon. member for Villeneuve is concerned or his colleague referred to in the letter, Mr. Robert Beaule, but it is quite apparent that this Canadian trainmen's union is capable of jumping to some fantastic conclusions. I should like to point out, therefore, that this is a union that does not have a contract with any major

railway in Canada. It is what we call an attempt to destroy a union that is already in existence and serving the men. I should like to refer to the proceedings of the committee which examined the Canadian National Railways, but since the final report has not been received, I cannot give evidence from that.

However, I believe I can say that the hon. member for Lapointe at that committee revealed he was in favour of this Canadian trainmen's union and completely ignorant of the relationship of the brotherhood of railway trainmen to the railways of this country and the responsibilities that they carry out. I would like to point out that section 6 of the Industrial Relations and Disputes Investigation Act, which permits a check-off, was challenged in the courts, and it is my understanding it was upheld as being good law by Chief Justice McRuer, and since that particular incident it has stood.

If the members of the Social Credit party wish to make this part of their campaign, and suggest they want this taken out and that they do not want the check-off for labour union men in Canada, then that is fine; but it is not only fantastic, it is dastardly, that as a result of a chance visit to the office of the hon. member for Villeneuve I am identified as being in favour of this. This is coincidence run wild.

I might say, Mr. Chairman, that my reception in the few minutes I was in the office of the hon. member for Villeneuve was adequate and friendly, as one expects in all relationships with members of other political parties; but I must say that this gentleman, in describing the incident, has not been completely factual, because the hon. member for Villeneuve did not ask him to repeat the gist of his argument so that I could hear it at all. That did not take place.

This particular personal issue, and I emphasize it is a personal one, has very serious implications in a general way. Recently in Canada, particularly with the upsurge of the Social Credit party in Quebec, we have had a fantastic kind of approach to labour unions. These gentlemen seem to feel that the rights that have been hard won by labour unions—and many labour unions feel they should secure many more—have gone far too far and must be cut back. One of the means of doing this is to weaken and cripple the unions.

At this particular time the railways are going through a state of flux and change. There has been a steady reduction in the number of jobs available. It is an unstable situation and there is a tremendous need for co-operation and liaison, not only between management and labour but much more so between labour unions. In this connection I would like to argue it would be vital to consider seriously the kind of suggestion that apparently—if we believe this letter—the Social Credit party wants to put forward, which in effect would go a long way to destroy these unions that represent the working men on the railways.

So far as the Canadian trainmen's union is concerned its emphasis is remarkably upon a kind of Canadian nationalism that is extremely narrow. If any members of the house feel it is time for the so-called international unions to end their relationships with international officers in the United States, that is an opinion or point of view to which they are welcome, and they are welcome to argue it; but this is no reason to go in the face of the tremendous contribution that Canadian unionism receives from the United States, a contribution that in many ways still exists and is still coming in so many fields.

I feel, particularly in the railway business where we have the illustration of an all Canadian union, the Canadian brotherhood of railway and general employees, working very strongly with the international brotherhoods on the non-op side, that we have proof we can have a Canadian union on the railways that will do its job and work with brotherhoods that have international relationships, and that both can work together for the workmen on the railways and the trade union movement as a whole.

This being the situation I would ask the Minister of Labour to dismiss in a very cavalier fashion the kind of arguments put forward by organizations such as the Canadian trainmen's union that would somehow suggest, because a member of parliament happens to come into the office of another, that he is all set on ruining one of the most important pieces of legislation that is on the statute books today.

Mr. Walker: Mr. Chairman, there are three definitions I wish to put before the committee in talking in this labour estimates debate, and I hope they will assist in clarifying the objectives which I am sure all of us have for those Canadians whose livelihood and happiness are dependant on the employment policies of the government. These definitions are as follows:

1. Unemployment is the involuntary idleness of a worker seeking work at prevailing wages.

2. Job, a regular remunerative employment.

3. Employment is the degree or extent to which persons needing employment and who are available for employment are provided

with employment, or lack of it, because of the prevailing economic conditions. Employment in a particular area, and this is very important in the definition, is likely to increase or decrease according to the economic conditions of the country as a whole.

This may seem very academic, but I feel that unless we constantly attempt to find out what is wrong with the economic conditions in the country that allow us to have a chronic rate of unemployment, then the Minister of Labour will not be able to effect a cure for the country.

I suggest that the minister's greatest concern will be the employment policies and practices of his government, and not just the unemployment problem. I am sure he agrees with this proposition. Yesterday the minister stated that unemployment is still a very grave problem. That is right, and it is an extremely personal one for hundreds of thousands of our people. However, Mr. Chairman, I think the government has an even greater problem on its hands, and until it has answered that problem we can really look for no significant change in the job picture for our people.

Mr. Churchill: I wonder, Mr. Chairman, if the committee would continue just for a few minutes and pass at least the first item of these estimates.

Mr. Pickersgill: Mr. Chairman, there does not seem any good reason for deviating from the order of rule. Moreover, the committee has no power, I would remind the hon. gentleman, to extend its sitting. The Speaker would have to go back to the chair and the committee would have to ask leave to sit again. We would be glad to consider that request if it is made at the proper time. I just recall the rule because of certain things which happened in the house not so long ago.

Mr. Churchill: Before Christmas.

Mr. McCleave: There is no necessity for Your Honour to see the clock unless it is drawn to Your Honour's attention.

Mr. Pickersgill: It is five o'clock.

Mr. Walker: Five o'clock.

The Chairman: The hon. member for York Centre reminds the Chair it is five o'clock. So that the house may proceed to private members' business, pursuant to standing order 15, section 3, it is my duty to rise, report progress and request leave to sit later this day or at the next sitting of the house.

Item stands.

Progress reported.

Mr. Speaker: It being now five o'clock, the house will proceed to the consideration of private members' business as it appears on today's order paper, namely, public bills as set out at page 22.

[Mr. Walker.]

INDUSTRIAL RELATIONS

AMENDMENTS REVISING MEDIATION AND CONCILIATION PROCESSES, ETC.

On the order:

Second reading of Bill C-23, an act to amend the Industrial Relations and Disputes Investigation Act.—Mr. Howard.

Mr. Frank Howard (Skeena): I do not know whether it is worth while following the normal proprieties of the house at this stage or not, but I should like formally to ask leave to withdraw this particular bill.

Some hon. Members: Granted.

Order discharged and bill withdrawn.

CRIMINAL CODE

AMENDMENT WITH RESPECT TO WATER POLLUTION

Mr. H. W. Herridge (Kootenay West) moved the second reading of Bill C-27, to amend the Criminal Code (nuisance).

Mr. Pickersgill: Before you recognize the hon. member for Kootenay West, Mr. Speaker, I wonder if I might ask the hon. member for York South whose name has been given as seconder, if he will permit me to second this bill in his place.

Mr. Lewis: Since it deals with nuisance, I shall be delighted to.

Mr. Speaker: Subject to the correction as agreed, I call on the hon. member for Kootenay West.

Mr. Herridge: I must explain that this measure does not deal with such an angelic nuisance as the hon. member for Bonavista-Twillingate. It has to do with material nuisance in relation to our national resources.

I am introducing this bill once again because I am alarmed at the sight of our industries and people polluting our waters, as it were, with their own hands at an increasing rate. Over many parts of Canada the water table is falling, yet thousands of factories and hundreds of municipal sewer systems are discharging their waste into our rivers with only a fraction of this increasing filth having been given adequate previous treatment. We all know that water is the life blood of any country, yet though we have more than trebled our consumption in recent years we are polluting it and destroying the watersheds whence it comes. We are destroying something without which we cannot survive and for which there is no substitute.

There are substitutes for power and for other materials but there is no substitute for clear water.

The soul of man, shaken and bruised by the ceaseless din of modern cities and the calamitous international sabre rattling, needs treeways rather than freeways; it needs pure waterways rather than sewer ways. We are disfiguring the natural landscape, eroding our soil, destroying our forests and polluting our waters almost with the zeal of a religious mission in the name of so-called progress. The purpose of this bill is to make it an offence for the owners of industrial plants and oil refineries or other persons to discharge noxious matter into an interprovincial water, thus endangering the lives, safety, health or comfort of the public.

It provides as follows:

> Every owner, lessee, or person operating any industrial plant, oil refinery, chemical works, sawmill or other plant or works, or any other person, who discharges or throws or allows to be discharged or thrown any noxious waste product, raw sewage, oil, sawdust, chemical or other matter or thing into a river, stream or other water any part of which is interprovincial or which flows into any interprovincial water, which has the effect of endangering the lives, safety, health or comfort of the public is guilty of—

—either an indictable offence or an offence punishable on summary conviction.

This measure is identical with one which was introduced by the Prime Minister (Mr. Diefenbaker) when he was a distinguished and militant member of the opposition. In this respect it can be said, for once, that by introducing this bill I am following in the footsteps of John. It must be agreed that the scope of the bill is limited. It deals only with the provision of pollution of interprovincial rivers. I think this question arose on that earlier occasion as a result of the Saskatchewan river on the Alberta side of the Saskatchewan boundary. There was a great deal of concern at that time on the part of members representing the province of Saskatchewan in this house. Nevertheless, this is a short step which we can take to indicate where we stand on this matter in this house—to show our concern and willingness to do something within our powers to correct a situation which is becoming increasingly bad.

I have had a lifelong interest in the question of conservation. I have lived very close to the soil, to the waters and to the woods of this country and I have had a close relationship throughout the years with persons who have held opinions similar to my own. But in presenting these views this afternoon I am introducing a bill which members of this group support wholeheartedly because they realize we cannot maintain a satisfactory material standard of living for the generations to come unless it is based on adequate national resources. We aim to preserve our heritage for future generations. As I have said before, water is of prime importance, though many people fail to realize it. I think the government of Canada failed to realize it when they signed the Columbia treaty and made it possible for the United States to use for all time the surplus waters of the Columbia for irrigation and domestic purposes as well as for flood control, rather than preserve those surplus waters for use in the Okanagan and, some day, for the irrigation of the western prairies.

Considerable interest has been taken in this matter throughout the years by small numbers of people. The international joint commission has done some excellent work with respect to agreements with local authorities, and measures for the prevention of pollution in certain international waters. There are numbers of provincial organizations in British Columbia and in the western provinces, in Ontario and the maritimes, which have taken a great interest in this question of the prevention of pollution of rivers and streams. There are other groups, not so well known, perhaps, which carry on their work without much publicity in the municipalities, besides numerous individuals in various occupations in life, particularly in some of our universities and research establishments. These people have pointed the finger at the desperate need for federal, provincial and municipal co-operation to meet this situation. I must say, in fairness, before proceeding further, that I give this government credit for a limited approach in making provision to assist municipalities to obtain sewage disposal plants. That is all to the good, but it is far too timid an approach really to accomplish the objective outlined by the minister when he introduced his legislation.

In dealing with this question I should like to quote from a monthly letter issued by the Royal Bank of Canada. In it is an article entitled "Resources for Living". I will give credit to the Royal Bank of Canada for the interesting articles they have published with respect to the conservation of natural resources. They must have someone at the head of that institution who understands this problem and is interested in it. I quote briefly from page 3:

> The purity of our air and water and the foods produced on our soil and in the sea will determine our number, our health, our efficiency, and our enjoyment of life.
>
> Although pollution has reached impressive proportions, legislation competent to eliminate it is creeping forward at a snail's pace.

This group wholeheartedly agrees with that statement.

There is delay in initiating measures of cleanliness because of lack of clearly defined responsibilities. The various levels of government are not certain who should do what. As was said in a paper presented at the "Resources for Tomorrow" conference: "Indecision and delay stem in part from differences in interpretation of the B.N.A. Act and a lack of clear federal and provincial policies." Meantime, public health is at stake, recreational values are impaired, industrial uses are limited, and fisheries suffer.

That indicates the interest of prominent persons in one of our large banks in Canada and represents growing opinion in this country.

I should also like to quote briefly from the *Gazette* of October 5 an editorial entitled: "Why water pollution gets little action". This editorial says:

At the recent conference of the water pollution control federation in Toronto, a good point was made by Mr. K. F. Beaton of the public relations department of Shell Oil Company, New York. He said that the success or failure of efforts to control water pollution will largely depend upon the public's understanding and support of what is done, or might be attempted.

There is much to this. If water pollution control were a comparatively inexpensive thing, governments might be ready to introduce it. But it is immensely costly. It will take up many tax dollars. This expenditure may have to be taken away from some other project, or will have to delay other plans.

There is not the same general pressure for action, the same insistent demand that the huge sums of money be spent, as there might be for something like highways, where the problem seems far more visible and personal and urgent.

Yet the threat of water pollution may be one of the greatest—all the more so because it is a rising danger. But unless the public demands that something be done, or unless the public is brought to realize that something really effective must be done, the control of water pollution will likely remain where it is today—quite low on the list of priorities.

I received a very interesting magazine through the courtesy of the hon. member for Wentworth (Mr. Sams), who I understand is very interested in this problem. The magazine is "The Civic Administration Handbook of Environmental Pollution Control", and it deals with the subject from the point of view of municipal authorities. The handbook is about the difficulties which are related to the question of overcoming river pollution. I should like to quote from this in view of the fact that I am introducing a bill today similar to one introduced by the Prime Minister (Mr. Diefenbaker). The Prime Minister sent a message to the editor of this magazine for publication, and I do wish he would give effect to his message. He said:

I congratulate the editors and publishers of civic administration on their initiative in publishing a handbook for municipal administrators on the sources, effects and control of environmental pollution, the first such publication to deal with the pollution of soil, water and air as a single problem.

[Mr. Herridge.]

Canada is fortunate to be endowed with abundant renewable resources and it is incumbent on all of us to see that in using these we do not destroy them, but pass them on unimpaired to future generations. In carrying out this trust, the control of pollution is of fundamental importance.

The letter is signed by the Prime Minister and I do hope that the members of his party will on this occasion support this bill so that it will pass this house before the hour is completed.

This matter is of increasing concern and is a danger which is growing apace. We have only to look at the Ottawa river flowing beside our parliament buildings to realize the necessity for some action. We also have this problem with many other rivers of Canada. Fortunately I come from a district where there is very little pollution, an area in which flow two great rivers, the Columbia and the Kootenay. But this problem which is facing the people because of sewage disposal from various cities and industrial developments must be nipped in the bud. We have a little problem at the present time but we must prevent it from becoming a big problem. I suggest that we need research. We need information. The public require to be informed. We need co-operation between governments. We need legislation such as this. This is first-step legislation to deal with this increasing problem. We need the participation of the Canadian people in the defence and protection of our great natural resources. Therefore, Mr. Speaker, in conclusion, I urge support for the principle of this bill as a short step, so far as legislation is concerned, in the direction in which we should go.

Mr. Speaker: The hon. member for Wentworth.

Mr. Churchill: Is not the seconder going to support this bill?

Mr. Pickersgill: The hon. member is going to speak on his behalf.

Mr. Speaker: I call on the hon. member for Wentworth, and then on the hon. member for Jacques Cartier-Lasalle (Mr. Rock).

Mr. J. R. Sams (Wentworth): Thank you, Mr. Speaker. In my view, water pollution is fast becoming, as was expressed by the hon. member who has just spoken, one of our most pressing domestic problems as we go on developing the industrial potential of Canada. In my opinion there are two basic steps which are needed to keep pollution from reaching dangerous proportions, proportions which, as was so well described, are dangerous to our national health and well-being. First, efforts must be made to clean up the sources of pollution. Second, legislative action must be taken to ensure that

wastes are properly treated before being discharged into our watercourses. The views expressed by the hon. member for Kootenay West (Mr. Herridge) and his arguments in favour of this measure I think are most surely agreed to by all hon. members of this house. For regardless of the constituency from which we come, this problem has already become, or will shortly become, one of major concern to those we represent.

Mr. Speaker, the Concise Oxford Dictionary defines "water" as "a colourless, transparent, scentless compound of oxygen and hydrogen in liquid state, convertible by heat into steam and by cold into ice". I think that to go beyond the mere definition of the word it should also be stated that water is the most important of our natural resources, because there can be no existence without it and no progress where it is in short supply.

Some excellent reading for anybody interested in this topic may be found in a booklet published by the international joint commission in 1961 entitled: "Safeguarding boundary water quality". One short statement in that booklet indicating the significance of pollution reads as follows:

> Pollution impairs the quality and usefulness of water. It makes it unfit for domestic or industrial use, and recreation, and may cause serious illness. It destroys fish and wildlife. It creates offensive conditions and interferes with navigation. It may create areas of desolation and render the stream useless for constructive purposes. It causes economic losses, and it reduces the capacity of the waters to perform their many beneficial and necessary functions.

I come from a constituency which is fast changing from its traditional agricultural background to one of suburban and industrial character, and while farming still plays an important part in the economy of our area, even the most rural of our municipalities have felt the pressure of growth and in several instances they have also felt the evil of water pollution.

Hamilton harbour, once the site of many fine bathing beaches and beautiful homes, has in just one generation completely degenerated into a massive pool of sewage and offensive chemicals, causing the city council to spend millions of dollars on a sewage treatment system to cope with this unfortunate problem.

Similar steps have been and are being taken by many other communities in southern Ontario. In the metropolitan Hamilton region the amount of money being spent is reaching fantastic proportions; but this must be done in order to combat the very evident hazard to health which pollution brings. These projects will, I hope, restore our waterways, especially our great lakes waterways, to their former purity and beauty. However, before we legislate through the medium of the Criminal Code, as this measure would suggest, I believe we should recognize the steps taken by provincial authorities as well as the voluntary steps taken by industry in this field.

First of all, I should like to mention for a moment the steps taken by industry. A large oil refinery is located along the north shore of lake Ontario about midway between Hamilton and Toronto and, if this proposal became law, it would perhaps qualify as one of the worst possible types of offenders. As hon. members know, a concentration of phenolic waste is one of the worst contaminants in existence.

There is in Ontario legislation which would, and with some substantial effect, prohibit this plant from discharging objectionable wastes into this main interprovincial and international waterway. However, this company has undertaken to provide itself with one of the best possible examples of industrial waste treatment.

The Cities Service Oil Company has developed a $3 million conservation program, including a "green-belt" buffer zone around its plant, an air pollution prevention plan and a waste treatment plant called by its operators the most modern and most efficient anywhere in the world. According to information I have received from the company, the quantity of waste treated averages about 300 gallons a minute and, as an example of the success of the process, called biological oxidation, all traces of phenol waste are removed and the water is returned to lake Ontario in a purer state than that in which it was taken from the lake. To graphically illustrate the success of the operation—and I think this may be of particular interest to the hon. member for Kootenay West—may I say that the company has installed a large aquarium where native fish of the great lakes thrive in water which has gone through the petroleum processing plant. The treatment process incidentally enables the company to recover thousands of barrels of oil which would otherwise be lost and which would under less favourable circumstances flow out into lake Ontario to pollute that great waterway.

The example I have described is but one of a number of similar steps being undertaken in southern Ontario where industries are taking the initiative in waste treatment. I would, however, suggest that this particular company has gone far beyond its responsibilities in demonstrating to others what can be done in this important field.

In Ontario, as indeed in several other provinces described by the hon. member for Kootenay West, provincial authorities have been set up to study and control pollution and related matters, and in the few minutes remaining to me I should like to outline one or two measures which have been taken in Ontario in this regard.

In 1955, recognizing the need for safeguarding Ontario water supplies and adequately dealing with the effects of pollution, especially those from which domestic water supplies were being drawn, the government of Ontario set up a committee to look into these questions, and followed it the next year with the creation of the Ontario water resources commission. In 1957, legislation was passed increasing the scope of the commission's functions. I should like to read briefly from a paragraph contained in a booklet describing its major activities. It does these things:

> Supervises the operation of all water, sewage treatment and waste purification plants in Ontario, and lends technical assistance in this connection.
>
> Keeps close watch over stream pollution through examination of streams and sources of pollution. The commission has the right of enforcement of any of its requirements to individuals, industries or municipalities in this regard...
>
> Advises municipalities concerning their water requirements and their needs in connection with sewage disposal and treatment.
>
> Reviews plans and approves or disapproves of all water and sewage projects to be undertaken by municipalities or persons...
>
> Operates laboratory and research services in connection with problems relative to the fields of water, sewage and industrial wastes.

The remarkable accomplishments of this commission since its formation and the commencement of its program has led to the investment of $363 million in Ontario in an effort to combat what would be included in the Criminal Code under the bill of the hon. member.

I believe that the federal government has a place in this particular question. However, I believe that place should be a co-ordinating one between the individual provinces, each of which has a particular problem in this connection.

I agree wholeheartedly with the principle behind the proposal of the hon. member. There is in Canada today a tremendous need in federal, provincial, municipal and business circles for a complete awareness of the tragic loss to our nation of one of our finest natural resources, namely pure water. As we extend cultivation, disrobe our forests and plow our fields without regard to soil erosion and as we continually overload our waterways with the wastes of our industries and our cities, the banks of our rivers and lakes become garbage dumps for the next generation. Our harbours have been turned into gigantic cesspools, indeed frightful products of modern civilization.

I suggest that we require much additional research, but in addition we require much additional education. We face today in Canada the complete loss of all major waterways as places of recreation. We face an impairment in the use of this water for agricultural purposes. We face an impairment in the use of this water for domestic consumption, except by expensive chemical treatment and filtration. We also face one of the most costly projects which this nation has ever undertaken, if action is not taken quickly to stop individual offenders.

Recent progress has been quite substantial in several areas in spite of serious obstacles. Perhaps the greatest stumbling block is the post-war industrial expansion and population surge in this country. We now have the opportunity of restoring a healthy state to Canadian waterways defiled for the present by a young, aggressive nation. I believe this critical situation could best be summed up by reading from the report of the joint commission on boundary waters. It states in part as follows:

> The satisfactory quality of these waters in the future can be secured and maintained. They can be used and enjoyed by the people of both countries continuing as one of the greater natural resources as long as the rain falls and the rivers flow.

Mr. Raymond Rock (Jacques Cartier-Lasalle): Mr. Speaker, the purpose of Bill No. C-27, an act to amend the Criminal Code, is to make it a criminal offence to pollute interprovincial waters, and this purpose could easily be unanimously accepted by this house. I understand, however, that as the bill is drafted it is word for word the same as a former bill drafted by the Prime Minister (Mr. Diefenbaker) when he was in the opposition. It seems to me that this bill is brought forward again in the same manner as it has been year after year by the hon. member for Kootenay West (Mr. Herridge) possibly in order to embarrass the Prime Minister and also so that once again it would not be supported and would be talked out. For these reasons I want to be brief so that I will not be accused of making a lengthy speech simply for the purpose of continuing until six o'clock.

I ask the hon. member for Kootenay West to amend his bill so that when an individual is found guilty of polluting interprovincial waters he will not have a $25,000 fine imposed on him, but a lesser fine. I would also ask the hon. member for Kootenay West to agree that a clause be inserted which will provide that the bill will come into force on March 31, 1963 in order that municipalities

bordering on interprovincial waters will have time to complete construction of their sewage purification plants by that date. That is the date when financial aid to the municipalities ceases, according to the amendment to the National Housing Act brought forward by the Minister of Public Works (Mr. Fulton), which extended the expiry date from March 31, 1961, to March 31, 1963. I asked for this extension before the passage of that bill.

The constituency of Jacques Cartier-Lasalle, which I have the honour to represent, is vitally concerned. It is situated at the western end of the island of Montreal where the St. Lawrence river and the Ottawa river, both of which are considered to be interprovincial waters, join. I should like to speak on pollution problems at length and also about the water purification board recently created by the province of Quebec. I have a large file on pollution. I believe that this bill is necessary and having suggested certain changes I would ask that debate on the bill not be prolonged to six o'clock in order that passage in principle may be granted.

Mr. Herridge: Mr. Speaker, could I reply to the hon. member's question?

Mr. Speaker: There was no question and there was no amendment. There was a suggestion.

Mr. Herridge: Mr. Speaker, could I ask the hon. member a question? Does he realize that if he or some of his colleagues would introduce the suggested amendments the member for Kootenay West would be very pleased to support them in order to see the bill get through the house? Does he also realize that the only motive of the member for Kootenay West is the welfare of the people of Canada? I have no wish to embarrass the Prime Minister.

Mr. Speaker: Those are not questions calling for an answer at this time.

Mr. Bert Leboe (Cariboo): Mr. Speaker, first of all I must admit that I have not done as much homework as I possibly should have in connection with this bill. However, I should like to make a few brief remarks with regard to it. I should like to congratulate the hon. member for Kootenay West (Mr. Herridge) for bringing this matter to the attention of the house. We realize, of course, that bills of this nature are always talked out and I believe this is so because the house realizes that it is the responsibility of the government to govern. However, we also realize that this bill in its present form has been a matter of discussion in the house over the years, and since the previous Liberal government and the Conservative government are both agreed in principle on the bill we sometimes wonder why it has never been passed. The reason must be that conditions in the country are such that at the particular moment they do not warrant this suggested amendment to the Criminal Code.

I could refer to *Hansard* and the discussions that have taken place in years gone by. In 1955, and back as far as 1953 when I was in the house, there were many discussions. I can recall the then member for The Battlefords and the member for Kootenay West making very able presentations for the passage of such legislation. I think we have an opportunity at this time to reflect on what private enterprise has done in respect of living up to its responsibilities in connection with pollution. I believe the reason the bill has never been passed is that the government has been encouraged by the fact that private enterprise has done a lot toward keeping our streams pure, and free of the waste materials and toxic acids that normally come from a good deal of industrial expansion.

I was somewhat amused and wondered a little about the reference to the Columbia river by the hon. member for Kootenay West.

Mr. Herridge: I could not help it.

Mr. Leboe: I believe that. I will take him at his word. I do not think that he on reflection would wish to deprive people of water just because they live south of the Canadian border. They are human beings, just as are the people who live in Canada. I think we must never be guilty of a dog in the manger attitude. I should like to see a full discussion by members in all parts of the house, so I will simply say that I am certainly in agreement with bringing forward a bill of this nature for discussion and keeping before our minds the necessity of seeing that our streams remain pure.

I might say that industrial development in the riding of Cariboo is only in its infancy, but we already have a large industrial plant at Taylor Flats. We are going to have a pulp mill in the Prince George area and those who are building the mill will have to make certain, of course, that the Fraser river is kept unpolluted. I conclude my remarks by saying that I believe the hon. member for Kootenay West has been very sincere in bringing this bill forward and it should receive the consideration of the house.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, since I was given the honour of seconding this bill I feel I should say a word or two in support of it. I will endeavour not to say so much as to make a nuisance of myself.

Mr. Bell (Saint John-Albert): Impossible.

Mr. Pickersgill: The hon. member for Saint John-Albert, in his usual flattering way, has said it would be impossible for me to be a nuisance, and I thank him for saying that. I feel, knowing the great admiration in which I am held by the Prime Minister (Mr. Diefenbaker), that, notwithstanding party differences, this is one occasion when I can sincerely follow John. It seems to me that this might be the last chance for the Prime Minister to carry out one of the promises he made to the people of Canada. I felt that I could be of assistance along with the honourable and genial member for Kootenay West (Mr. Herridge), in assisting the Prime Minister to carry out that promise to do what he could in every way, by legislation, by administration and other ways, to end so far as possible the pollution of all these streams that come under federal jurisdiction.

I am very sincere about this, sir. For 25 years I have lived on the banks of the Ottawa river. During those 25 years the condition of the Ottawa river, the Rideau river and unfortunately also the Gatineau river, has not improved. It does seem to me that if there is one project about which it would be wonderful to do something before our national centennial, it would be to clean up these open sewers in our capital city and make these rivers once again the kind of thing of which we Canadians can be proud as part of our national heritage.

Mr. R. J. McCleave (Parliamentary Secretary to the Minister of Public Works): As I look about this distinguished chamber this afternoon, I have some suspicion that either the trains to Montreal and Toronto have broken down for some mysterious reason or else some other event is upon us. Perhaps that is so, since there has been the dry sound of clicking knitting needles from the gallery above.

I was disappointed that in an otherwise excellent debate, during which much good has been said about fellow citizens and the work they have done in this field, very little was said about one of the most impressive achievements of this government in this fight against water pollution. There has been a reference by the hon. member for Kootenay West to the municipal sewage treatment process, which I suggest to you fits clearly into this field. He described it as a very limited approach. Well, sir, I have had the advantage of obtaining from Central Mortgage and Housing Corporation figures which would make the hon. member change the adjectives in that description. I think this has been an imaginative approach and one which has worked out very successfully indeed.

[Mr. Pickersgill.]

As of January 18 last loans under this program totalled $138 million. I should have qualified that somewhat by giving a breakdown, and if I am permitted I should like to have this table appear in *Hansard* for the assistance of hon. members. The breakdown is as follows, actual inquiries where municipalities are eligible for such assistance, $51,768,000; applications on hand, $2,119,000; approvals are of the order of $84,900,000, making up the total of $138,787,000.

In addition to this, there are some 72 applications now being processed for which no definite amount is known. Perhaps before proceeding I could ask if the house would be agreeable to have this table printed in *Hansard*. The table is headed "Loans for Municipal Sewage Treatment Projects, Summary to January 18, 1963". The breakdown is by provinces, and the total amount for Canada in the three categories I have mentioned. The figures were drawn up by those who should know, Central Mortgage and Housing Corporation, at my request for this debate.

Mr. Speaker: The hon. member seeks leave of the house to put this table, prepared by Central Mortgage and Housing Corporation, on the record. Has he leave of the house?

Mr. Pickersgill: Mr. Speaker, I am sure that this is most interesting material, and will be of particular interest to have printed at public expense for dissemination by Conservative candidates. I am just wondering what relationship it possibly has to this particular bill which deals with an entirely different subject. I am not objecting to it, but I just wanted to draw attention to the pure motives of the hon. gentleman.

Mr. McCleave: I am afraid the hon. member for Bonavista-Twillingate is forgetting that he promised, when he took part in this debate, he would not be a nuisance. There has been a reference to the subject of the bill. Perhaps the hon. member did not have an opportunity of reading it, and of noting that it deals with the fight against water pollution. This bill of the hon. member for Kootenay West would make it a nuisance, under certain circumstances punishable by criminal action, if people do not take steps to keep our water supply pure. I am saying that one of the massive steps being taken, which appeals to me much more than criminal action, is to provide municipalities with a very generous scheme under which the problems of water pollution can be tackled. This is the purport of my argument.

I thought the members of the committee, not only Conservative but Liberals, Social Credit members and those of the N.D.P. would be interested in such a table.

Mr. Pickersgill: I think the hon. gentleman has given a very convincing argument. I would not want to object at all, but I hope I can make an appeal to the hon. gentleman. In return, would he conclude his speech in time for a vote to be taken on this admirable bill which we would all like to see passed.

Mr. Speaker: I take it the house grants leave to the hon. member to have the table printed in *Hansard*?

Some hon. Members: Agreed.

[*Editor's note: The table above referred to follows:*]

LOANS FOR MUNICIPAL SEWAGE TREATMENT PROJECTS

Summary to January 18, 1963

Province	Preliminary and eligibility enquiries on hand where estimated value is known		Formal applications on hand		Approved by order in council		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
		$000		$000		$000		$000
Newfoundland	5	253	—	—	5	1,010	10	1,263
Prince Edward Island	1	11	1	6	6	110	8	127
Nova Scotia	2	2,683	—	—	3	1,180	5	3,863
New Brunswick	4	108	—	—	8	218	12	326
Quebec	19	14,007	4	711	21	3,784	44	18,502
Ontario	68	32,437	12	1,010	138	60,984	218	94,431
Manitoba	4	1,107	1	75	21	914	26	2,096
Saskatchewan	13	490	—	—	95	2,871	108	3,361
Alberta	15	388	1	317	33	2,229	49	2,934
British Columbia	3	284	—	—	37	11,600	40	11,884
	134	51,768	19	2,119	367	84,900	520	138,787

Mr. McCleave: Thank you very much, Mr. Speaker. To depart for a moment from the table, I might say that municipalities from all provinces have taken advantage of this excellent program which was started, as perhaps hon. members will recall, in December, 1961. In December of last year, these provisions were extended and provided long term loans to municipalities, as well as forgiveness for certain work completed before 1963. This provision has now been extended to March 31, 1965.

I was impressed by the point made by the hon. member for Jacques Cartier-Lasalle (Mr. Rock) to the effect there should be notice given to people so that the act would not suddenly fall upon them, and so they would know when the act would come into effect. This would give them an opportunity to clean up, for example, any part of an industrial operation which polluted our water resources. I am sorry the hon. member did not put his idea in the form of a formal amendment. However, if and when the bill goes into committee, this could be done and the amendment considered. This would be really the basis upon which I should like to give my support to the bill, that is giving notice of the pollution in the first place and then stating a time within which these serious matters of water pollution could be cleared up.

Mr. Eric Stefanson (Selkirk): Mr. Speaker, first of all I want to congratulate the hon. member for Kootenay West upon introducing this bill. At the outset of his speech he said he would like to see debate on it concluded by six o'clock. I know there are several other hon. members who would like to speak on it, and I am sure the hon. gentleman knows full

well that I have been interested in water pollution and have spoken on bills like this previously. At one time I introduced a resolution dealing with a similar problem.

I am sure he will agree I am not in the habit of making a nuisance of myself in the house and of taking up much of the time of the house, but I want to make a few comments in regard to this bill, Bill C-27. The purpose of the bill is to make it an offence for the owners of industrial plants and oil refineries, or other persons, to discharge noxious matter into an interprovincial water, thus endangering the lives, safety, health or comfort of the public.

I have a particular interest in the bill because lake Winnipeg lies within the boundaries of the constituency of Selkirk and we have several interprovincial rivers running into that lake. We have the North and South Saskatchewan rivers emptying into lake Winnipeg. We also have the Red river, which is an international river, and the Assiniboine river which flows into the Red river and is an interprovincial river, also emptying into the lake. Industrial waste is one of the big factors we have to contend with, and as the law stands today industry is now responsible for taking care of its industrial waste. In many cases industries find the cheapest method is to release waste into the rivers, and that is one of the main reasons why we have had our rivers polluted. However I am sure industry realizes its responsibilities and is willing to share in the cost of cleaning up the rivers.

This matter of water pollution was one of the subjects discussed at the resources for tomorrow conference held in Montreal in October, 1961. It received a lot of attention, papers were presented on the subject and workshops were set up to deal with the matter. On that occasion a paper prepared by Mr. Menzies was submitted to the conference, a paper which I have read and found to be very interesting and helpful in understanding the problem of water pollution.

Basically we are concerned with the effects of pollution. Briefly these are its effects on human life and health, fatal and contagious diseases and infections, its effect on other forms of life, fish losses through poisoning and oxygen depreciation, its effect on waterfowl and the destruction of waterfowl habitats, together with its non-fatal effects on water for domestic purposes. I may say that in Manitoba we have seen much wildlife, many waterfowl, die from the effects of water pollution. We have seen its effects on fish and we know the danger caused by water pollution.

The hon. member for Kootenay West mentioned that the water table was gradually falling and that pollution would become an increasingly difficult problem. I have to agree with that statement. It is becoming a greater problem; but as the hon. member for Halifax mentioned, this government took the initiative in passing legislation in 1961.

Under the provisions of that legislation loans were offered to municipalities, and as the hon. member for Halifax pointed out, the total of loans made to date is $84,900,000. When additional applications now being processed are approved, the total will be brought up to $138 million. Hon. members must remember that 25 per cent of this is non-repayable.

Mr. Speaker: Order. I wonder if we could get a moderation of some of the conversation. The Chair is having some considerable difficulty in hearing the speaker.

Mr. Churchill: There is considerable excitement.

Mr. Stefanson: Thank you, Mr. Speaker. I particularly wanted to make reference to the loans that have been made in the province of Manitoba. In that province up to January of this year 21 loans have been made totalling $914,000, and of that 25 per cent or $225,500 will be rebated. There are a further five applications in the process of being approved, totalling $1,182,000, and besides that 14 other Manitoba communities are presently preparing anti-pollution plans and have made inquiries in regard to loans under section 6(b) of the National Housing Act. This section of the act certainly has been effective as a start in tackling the great problem of water pollution, but I realize there is a lot yet to be done. Probably the government has to work out further plans with the provincial governments and municipalities.

The resources for tomorrow conference, when dealing with water pollution, discussed several items and I want to comment on the recommendations they made to the government at that time.

Mr. Speaker: Order. The time appointed for consideration of private members' business is now expired.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, may I inquire from the house leader what business the government proposes submitting to the house for its consideration on Monday?

Mr. Churchill: On Monday I have already announced there would be a supply motion, and the subject for debate on that occasion is generally in the hands of the opposition.

Mr. Speaker: Order. It now being six o'clock this house stands adjourned until 2.30 o'clock on Monday, February 4.

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

HOUSE OF COMMONS

Monday, February 4, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. HARKNESS—STATEMENT ON RESIGNATION AS MINISTER OF NATIONAL DEFENCE

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I rise on a question of privilege. Yesterday I sent to the Prime Minister my resignation as minister of national defence.

I believe it is the duty of a minister of national defence to ensure the security of Canada to the greatest extent that he believes to be possible, on the basis of the information and advice he receives. I have always believed, in pursuit of this duty as minister, that we should have nuclear weapons.

In all defence negotiations concerning nuclear weapons in which I have had a part, the sovereignty of Canada has been protected fully. We have never lost sight of the dignity or independence of this country.

I believed when I spoke here last Thursday that the position I outlined in a press release issued on Monday, January 28, was the same as that stated by the Prime Minister in his speech of January 25, as found on page 3136 of *Hansard*. Subsequently it became apparent to me that the Prime Minister's views on nuclear arms and my own are irreconcilable. On reflection, I believe now I made a mistake in agreeing to what would amount to a four month delay in obtaining nuclear warheads for our forces in Europe. I did so agree in the hope of getting the nuclear arms question definitely settled.

I differ from the Prime Minister in this way, that I believe we should have obtained nuclear warheads for our weapons carriers as soon as the latter were ready. I thought throughout that by remaining in the cabinet I could better achieve this purpose than by taking the easier course of resigning.

I resigned on a matter of principle. The point was finally reached when I considered that my honour and integrity required that I take this step. I shall, of course, remain in the Conservative party, and I hope to run in my constituency of Calgary North at the next election. That will be in the hands of my supporters in Calgary North to whom I hope to report shortly.

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I should like to make it clear that I absolutely reject the position on nuclear weapons set forth by the Liberal leader. That anomalous position is that Canada should evade her responsibility by accepting nuclear weapons now and then immediately negotiating out of them.

I bade farewell to my fellow ministers in the cabinet on terms of warm friendship. I thank the house for its kindness in allowing me to make this statement.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in accordance with regular custom—

Mr. Speaker: Is the right hon. gentleman rising on motions?

Mr. Diefenbaker: No, Mr. Speaker, I am rising in view of the statement made and simply in order to table the letter of resignation of the hon. gentleman and my reply which I sent to him today. I will say no more than I say in the letter—

An hon. Member: Read it out.

Mr. Diefenbaker: —namely that I regret the resignation and that I find it difficult to understand the decision in view of the statements made by the hon. gentleman on repeated occasions. I table the letters at this time.

An hon. Member: Read them.

[*Later:*]

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): May I direct a question to the Prime Minister. The right hon. Prime Minister tabled a copy of the letter which he received from the former minister of national defence, and his reply thereto. I wonder if the Prime Minister would be prepared with the consent of the house to make these two letters part of *Hansard* for today.

Mr. Diefenbaker: I have no objections, but I do not think that course has been followed in the past.

PUBLIC SERVICE

RESEARCH COUNCIL—CIVIL SERVICE COMMISSION —ANNOUNCEMENT OF APPOINTMENTS

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I should like to announce several important appointments to

the public service. Dr. B. G. Ballard, who has been scientific vice president of the national research council, has today been appointed president of the council. Dr. Leo Marion, who is senior director of the council and of the division of pure chemistry, has today been appointed scientific vice president of the council. Both Dr. Ballard and Dr. Marion have had long and distinguished careers with the national research council and I am sure the house will welcome their promotions to the highest offices in the council.

There is a further appointment, that of chairman of the civil service commission. The appointee of the government by order in council is Mr. Robert G. MacNeill, assistant deputy minister of national defence. Prior to his appointment by the civil service commission to the Department of National Defence two years ago, Mr. MacNeill was an officer of the Department of Finance, to which he had been transferred from the defence research board in 1949. I hope and expect that the appointment of this able and experienced civil servant to head the civil service commission will be welcomed by all.

ARTS, LETTERS AND SCIENCES

DOMINION-PROVINCIAL CONFERENCE ON BICULTURALISM

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I indicated to the house last week that I would make a statement today concerning the government's plan to convene a conference with the provincial governments to discuss biculturalism and other questions pertaining to the Canadian confederation.

It is well to recall that almost in the last years of Sir John A. Macdonald's life these words were uttered by him:

> I have no accord with the desire expressed in some quarters that, by any mode whatever, there should be an attempt made to oppress the one language or to render it inferior to the other. I believe that would be impossible if it were tried, and it would be foolish and wicked if it were possible.

That has been the stand of successive Conservative governments since. Today we proudly call ourselves Canadian citizens enjoying every attribute of freedom and sovereignty.

Confederation was achieved by a partnership of English speaking and French speaking men who believed that the destiny of the north half of this continent might be achieved in unity but not in uniformity. But for the fundamental agreements expressed in section 133 of the British North America Act, with its assurance of the rights of language in this country, and sections 91 and 92 assuring to the provinces their jurisdiction over education and culture, there never would have been a Canada. The recognition of the two cultures and of the English and French languages was the very base and foundation of confederation.

Canada, under confederation, has prospered and grown. There have, however, arisen from time to time—periodically it takes place—questions as to whether Canada, as she approaches the close of the first century of confederation, has achieved the full measure of the vision of the fathers of confederation. It is with this thought in mind that the government has decided to propose the calling of a federal-provincial conference, and invitations to such a conference will be dispatched to the governments of the ten provinces at once.

The scope of the conference will be of the fullest breadth. It will be asked to study ways and means of repatriating the constitution, the problem of adequate representation in the public service, crown corporations and other government agencies; the recommendations in the Therrien report; the choice of a national flag and other symbols of our national sovereignty. In brief, the conference will be asked to examine biculturalism and bilingualism in a comprehensive manner.

I know it has been suggested in some quarters that a royal commission should be appointed for this purpose. The government believes that the course which it is now announcing is much to be preferred under the circumstances to the appointment of a royal commission. Royal commissions are appointed to find facts. The facts are well known. The responsibilities are shared by two levels of government. Any royal commission must necessarily be appointed by a federal government and any recommendations that such a royal commission might make would necessarily require to be referred to a federal-provincial conference in due course in any event. It is inconceivable, Mr. Speaker, that action would be taken by any federal government in relation to such matters without having consulted the governments of the provinces in the fullest manner. Indeed, it may well be that the recommendations of any such royal commission would almost certainly involve action by provincial legislatures as much as by parliament. For these clear reasons the government proposes the more definite and more prompt opportunity offered by a federal-provincial conference.

The conference will provide the opportunities to examine areas of disagreement

and the nature of the courses of action required to resolve them. It will be intended to contribute to unity, harmony and restatement of the goals of the Canadian confederation. It will not be its purpose to seek uniformity in a country which has chosen unity in diversity, no unity through uniformity. In correcting any injustices that might be found we shall destroy prejudice and misunderstanding. We are ready to take action to deal firmly and positively with any danger which confronts the basis of the Canadian confederation.

This is a task to which all Canadians can give their willing allegiance. Indeed, I think it is the goal of every Canadian proud to call himself a Canadian. Our task must be not to separate but to preserve the principles of confederation, and to round out and restate its goals for the second century of our history.

Canadians must continue to offer to the world the example of a nation composed of peoples who, though differing in language, culture and traditions, hold before mankind the beacon lights of mutual understanding and mutual respect. To the original French and English strains in the Canadian population there have now been added many Canadians of other origins. They have come of their own choice to this country and have become members of the Canadian family, bringing with them their traditions and rich heritages of culture. By their contributions they have enriched, deepened and diversified the cultures of this nation.

I see the Canada of tomorrow, Mr. Speaker, stronger, more united in her diversity, drawing her strength from the partnership of the two great original cultures and enriched by the infusion of many other races and cultures. Such a Canada is destined to play an ever greater and beneficent role in the world as an example of cultures and peoples abiding together in unity. If we remain faithful to these principles and the challenges of our time, then indeed it may be said of us in years to come, as it was said of the fathers of confederation 100 years ago, "They builded better than they knew".

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, the position of our party on this matter of such vital importance to our national destiny was made clear in the house on December 17 last in a statement which I was privileged to make at that time, and which I had the privilege of repeating, in both English and French speaking parts of Canada, since I gave it in the house.

In that statement I suggested, and I still think it would be the best course notwithstanding what the Prime Minister has just said, that there should be an immediate inquiry launched by the federal government and the provincial governments to find out what is the best way of getting all the facts which bear on this vitally important problem; because I do feel, notwithstanding what has been said, that there is still room for an inquiry into the facts before the governments concerned, federal and provincial, can take the right kind of action.

I went on to say at that time that the fact that responsibility in this matter was divided in that way did not exempt the federal government from responsibility in respect of matters which come under its own immediate jurisdiction and on which it could act at once.

In the relationships between the two founding races in our confederation—and the Prime Minister has emphasized that in his statement this afternoon—partnership was never more important and separation never more disastrous than in this age of interdependence. For better or for worse we are together, and it is up to us to make it for better, inside confederation. This cannot be done by any attempt to return in any way to the earlier ideas of a centralist or legislative union, held by many fathers of confederation including Sir John A. Macdonald, any more than it can be done by insisting on the strict interpretation of the contract theory of confederation as a binding, legal compact between states. The basis must be partnership that was indeed the concept of confederation, and was the solemn understanding of those in French Canada who supported confederation.

Some hon. Members: Hear, hear.

Mr. Pearson: Sir John A. Macdonald once wrote in 1868, and his words appeared in an editorial in the Montreal *Gazette* the other day:

> My own opinion is that the general government or parliament should pay no more regard to the status or position of the local governments than they would to the prospects of the ruling party in the corporation of Quebec or Montreal.

We have come a long way from those days, Mr. Speaker, and now Quebec—indeed all the provinces but Quebec especially—is far more than a local government. It is a constitutional expression of a full and equal partnership of French speaking Canadians as a founding race in confederation. It is the reflection of the duality of our nationalism in language and in culture. In that sense Quebec is more than a province. It is a political expression within the Canadian nation of the pride of

millions of Canadians in a culture, a tradition, a language and a race, the recognition of which by all Canadians is essential to the unity of our country.

Mr. Speaker, no country fits less into anything approaching the pattern of having a master or a privileged race than Canada; not only because of the duality of our origin as a nation but because so many cultures, traditions and races have been added to those of the two founding races to the great benefit of Canada as a whole. Our country would be much poorer without these additional contributions.

All this does not mean that we must not try to seek and achieve a real and meaningful unity. It does mean that we must not confuse this unity with uniformity. Nor does it mean that Quebec—though more than a province—should withdraw in any respect from her place as a province in a confederation; or, more important, that we should do anything in other parts of Canada to make her wish to withdraw from that place.

French Canada is part of Canada, as Canada is part of North America, which includes the United States of America. As Quebec is not an island unto itself in Canada so, Mr. Speaker, our country is not and cannot be an island unto itself on this continent. But Canada is and Canada must remain as Quebec is and Quebec will remain, an identity and a fact. Quebec will make its own adjustments to changes industrial, cultural and political that are inevitable in a changing continent in a changing world. But Quebec will do it in her own way. As a gifted and experienced student of French Canada, an American, Professor Mason Wade, put it very recently:

> While French Canada is becoming more North American it is doing so on its own terms, and it is clear that Quebec will remain French and Catholic and devoted to its traditions in the future as in the past.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I was most happy to hear, a few moments ago, the most eloquent statements of policy made by the two major political leaders of our country and of English Canada.

On behalf not only of the Social Credit group in this house but of all French Canadians throughout Canada, I should now like to express our feelings in that respect.

While we asked for the establishment of a royal commission on biculturalism, we are told that a federal-provincial conference will be called and that the premiers of the provinces and the Prime Minister of Canada will examine the extent of bilingualism in our country and French Canadian representation in the civil service. The Prime Minister's statement leaves us with mixed feelings of joy and sadness. In our opinion, by consulting the provincial premiers regarding French Canadian representation in federal departments or crown companies, the government fails to shoulder its own responsibilities. In that field of federal jurisdiction the government should have acted on its own.

On the other hand, we agree with the Prime Minister that when it comes to choosing a national flag, the government should consult the provincial premiers to obtain a cross-section of Canadian opinion.

Mr. Speaker, I suggest, in view of the statement just made to the effect that we shall have a federal-provincial conference, instead of a royal commission, I would urge all newspapers in the country to ask all associations to submit briefs on bilingualism and biculturalism. Be they English speaking groups from the province of Quebec or elsewhere, or those who may have representations to make on the matter, either French speaking groups from the province of Quebec or French speaking groups from other provinces, I would have them send their briefs direct to the Prime Minister's office, in order to let him know, prior to that federal-provincial conference, what they mean by biculturalism and bilingualism in this country. If all our associations of both great races would submit briefs prior to the federal-provincial conference, when the time comes for us to sit around a table we would have something to help us consider the situation, and that would represent some kind of inquiry since we cannot get the inquiry we had requested.

We would like to know when that federal-provincial conference will be held; we would have liked to know who will take part in it.

The other day we inquired about it, and the reply was given that the provincial premiers would be represented, and in that way the four political parties. We would have liked to see representatives from the four political parties in the house. I have no intention to talk on behalf of the other political parties, but we would have liked to see our own representatives, in addition to both Social Credit premiers from Alberta and British Columbia who perhaps do not understand our problems as well as our own Social Credit members.

Those are a few suggestions, Mr. Speaker, that we wanted to make to the Prime Minister on the occasion of his statement. I hope he will take them under consideration and that he will bring some changes to his statement of today, in order that we may have still more satisfaction.

I was pleased to hear statements of policy from those two political leaders, for those statements make it clear that there is today an awareness of the existence of two great races, two great cultures in Canada.

(Text):

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I do not think any member of the house will oppose the idea of convening a federal-provincial conference to look into the question of biculturalism and the relationships between the two great races which went to make Canada. However, we in this party feel that the government ought not to dismiss completely the value which could be obtained from appointing a royal commission to look into this matter. Federal-provincial relations and the basic matters of biculturalism and bilingualism have long concerned the people of Canada, ever since confederation.

The last royal commission which was set up to look into federal-provincial relations was known as the Rowell-Sirois commission. It was appointed in response to the economic needs and pressures of the depression days in the 1930's. Because of that fact it, of necessity, placed its major emphasis on fiscal and economic matters. But today the problems are of a different character. Growing industrialization and urbanization have created new problems. French Canadians feel with a good deal of justification that modern events are pressing in upon them and threatening the survival of their language, their culture, and those spiritual values which they cherish so dearly.

We English speaking Canadians have not always been sufficiently sensitive to this situation. While we may deplore separatism, we cannot afford to ignore the sense of grievance and injustice of which separatism is a symptom. It matters not whether we agree that there is a sense of grievance. I for one do agree. But whether we agree or not, if there is felt to be a sense of grievance then that of itself is a problem and one to which we must apply ourselves.

That is why on February 20, 1962, I issued a statement as leader of our party in conjunction with the president of the New Democratic party provisional council for the province of Quebec, and I want to read only an excerpt or two from that statement, if I may, Mr. Speaker. I said:

> Canadians must face the fact that, almost a hundred years after confederation, our federal-provincial and French-English relations continue to be seriously unsettled and unsatisfactory. The New Democratic party believes that we must not permit this situation to drift until it gets out of hand. We believe that there is urgent need for a thorough study of our experience of Canadian federalism and for a careful rethinking of the relations between the two nations which together make up the basic partnership in confederation.
>
> To this end, the federal and Quebec executives of the New Democratic party propose that a federal-provincial commission on Canadian federalism and biculturalism be immediately constituted. Such a commission should bring together and draw upon the experience and knowledge of outstanding Canadians from all parts of the country. It should hold public hearings throughout the country and invite representatives of every section of the Canadian community to present their point of view and make recommendations for appropriate action.

Then later on I said:

> The New Democratic party believes that a new approach is necessary on the important problem of Canada's unity. We believe that the program adopted at our founding convention, with its pioneering conception of co-operative federalism, presents such a new approach. True Canadian unity depends on equal recognition and respect for both the main cultures of our country and this is the basis on which the New Democratic proposals are formulated.
>
> However, the task we face as a country must be understood by all our people and this requires much more intensive thought and study.

Then I proceeded to suggest the kind of outstanding people who should be appointed —university figures, men in responsible positions in the press, business, industry, labour, agriculture. I wound up by saying:

> Canadians of this stature—and one could name many others—would make a lasting contribution to the constitutional and cultural future of Canada. The New Democratic party urges that the commission should be appointed now, without delay, so that Canada may celebrate the hundredth anniversary of confederation as a united country, with clear guide lines for the future.

Mr. Speaker, I submit that there is much to be said in favour of having a royal commission to enable persons who have devoted a lifetime to a study of this problem to give us the benefit of their advice and experience. The personnel on such a commission would be important. But most important of all is that it would provide an opportunity for various points of view right across Canada to be heard so that any recommendations to this parliament and to the legislatures of Canada would be made only after having studied the representations of all those interested in

presenting their views. That would cover not only the representatives of the two basic races who made up confederation, but also of the ethnic groups who have now brought to Canada the richness of their culture and their heritage.

I suggest, Mr. Speaker, that the Prime Minister's proposal of today to convene a federal-provincial conference is not really an alternative proposal. It seems to me that such a conference would have more merit if it had before it the carefully thought out recommendations of a group of outstanding French speaking and English speaking Canadians as well as representatives of other ethnic groups.

Like the Prime Minister and some other members of this house, I have had the privilege of attending a number of federal-provincial conferences. I do not think anyone could expect that a group of men, who are as busy as the heads of ten provincial governments and the government of Canada, can possibly give the kind of time which is necessary to really find a solution to this very complicated problem. I think all experience in the past has shown that a federal-provincial conference has limited value unless it has been preceded by careful preparation and has before it specific recommendations and proposals upon which it may base its discussion.

I think there are various recommendations we could get from many parts of the country. One of the things to which I think the government of Canada ought to give consideration is the idea of setting up two bilingual colleges for senior civil servants, so that senior civil servants might go to either one of two colleges, where they would have an intensive course in the language other than their mother language and a better understanding and appreciation of the culture other than the one in which they were raised. Colleges of this nature would help to develop a properly constituted bicultural and bilingual civil service. That is the kind of thing which cannot be done merely by having regulations under the civil service commission.

In conclusion may I say that in Canada we have reached an important milestone in the history of relationships between English speaking and French speaking groups in this country. A lack of understanding at this stage could have serious consequences for the future. I believe it is possible to work out a modus vivendi. I am equally convinced that with patience, understanding and good will it is possible to chart a course of action which will strengthen and extend the point of unity in this country. I suggest to the government that, in conjunction with a federal-provincial conference, they again give some thought to the proposal that we have a royal commission on biculturalism so that the various groups in Canada can make their suggestions, and so that the Prime Minister and the premiers of the provinces would have before them concrete recommendations based on study and on representation from all parts of the country.

[Mr. Douglas.]

CIVIL LIBERTIES

PROVISION FOR REVIEW OF ADMINISTRATIVE POWERS AND DECISIONS

Mr. John R. Matheson (Leeds) moved for leave to introduce Bill No. C-111, to provide for review of administrative powers and to relieve from their misapplication (administrative review).

Some hon. Members: Explain.

Mr. Matheson: The purpose of this bill is to provide a forum to review and to correct, whenever necessary, decisions by administrative authorities which may tend to offend civil liberties or natural rights.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

EXECUTIONS BY HANGING

Question No. 1,274—**Mr. Matheson:**

1. Since the conclusion of the hearings conducted by the joint committee on capital and corporal punishment of the twenty second parliament, has the federal government contributed to the income of any public executioner and, if so, for what years?

2. Has any hanging since 1956 been performed by an executioner without prior experience?

3. Does the Department of Justice receive or have access to, any medical or other post-execution reports tending to indicate (a) whether death was caused by fracture of the neck or strangulation or decapitation (b) the number of minutes that elapsed between the time when the trap was sprung and death occurred (c) the quality of the hanging operation, that is to say, whether any untoward event or mishap occurred?

4. Has this government received any communications from persons who have witnessed public executions in the years 1957-1962 critical of the hangings and, if so, from whom and on what dates?

Mr. Bell (Saint John-Albert): 1. No.

2. Not known.

3. No.

4. No.

VOCATIONAL TRAINING OF PENITENTIARY INMATES

Question No. 1,285—**Mr. Orlikow:**

1. How many inmates of federal penitentiaries are now receiving training which is recognized by provincial and federal apprenticeship boards?

2. How many vacancies are there at present for vocational training instructors and school teachers in the various penitentiaries, and in what institutions do these vacancies exist?

3. How many hours does an inmate actually spend in vocational training shop per day, exclusive of taking counts and movement to and from place of training?

Mr. Bell (Saint John-Albert): 1. Full time formal organized training, 334; part time formal organized training, 254; total 588.

This is exclusive of those working under qualified supervision in designated and non-designated trades, whose work experience may be evaluated by provincial authorities in terms of equivalent training at a later date.

2. 14 vocational training instructors; 4 school teachers; 9 educational instructors.

Vacancies by institutions shown in table below:

Institution	Vocational Training Instructors	School Teachers	Educational Instructors
Dorchester	1		
St. Vincent de Paul	3	1	1
Federal Training Centre	3		1
Leclerc		1	1
Kingston		1	1
Collin's Bay	4	1	1
Joyceville			1
Manitoba	1		1
Saskatchewan	1		1
British Columbia			1
William Head	1		

3. Between 6 and 7 hours daily depending on local conditions and circumstances.

(Translation):

*DORVAL—INQUIRY AS TO OWNERSHIP OF HILTON DORVAL LTD. PROPERTY

Question No. 1,299—**Mr. Rock:**

1. Was the Department of Transport at one time the owner of the property which now belongs to Hilton Dorval Ltd. and on which a hotel is presently being constructed in the vicinity of Dorval airport?

2. Was the land transferred or sold and, if so, (a) on what date (b) to whom was the land transferred or sold (c) what were the conditions of the transfer or sale (d) what was the price per square foot of land (e) what was the total consideration and (f) how many square feet of land were involved?

Mr. Balcer: Mr. Speaker, the answer to question No. 1 is yes.

Questions

Here is the answer to question No. 2: (a), (b), (c), (d), (e) and (f)—The land consists of part of lot 535 Parish of St. Laurent and was conveyed by letters patent dated August 24, 1955, to the Montreal Trust Company as partial settlement for the expropriation of a larger block of this company's land that was required for the Montreal international airport. The area transferred to the company contained 329,611 sq. ft. and its value was based upon 35 cents per sq. ft.

(Text):

ENTRY OF FOREIGN NEWSPAPERS AND PERIODICALS

Question No. 1,308—**Mr. Dube:**

1. Are the daily papers and periodicals of all countries admitted freely to Canada and, if not, what dailies and periodicals have been refused entry to Canada?

2. What department, board or office has jurisdiction in this matter?

3. Who are the members of such department, board or office?

Mr. Flemming (Victoria-Carleton): 1. Daily papers and periodicals of all countries are admitted freely into Canada under the Customs Tariff.

2. Department of National Revenue, customs and excise.

3. Answered by 2.

RESEARCH PROGRAMS ON CHILDREN'S HEARING HANDICAPS

Question No. 1,336—**Mr. Martin (Essex East):**

What research programs connected with determining the causes of hearing handicaps among children are supported under federal health grants?

Mrs. Casselman: Few purely research projects dealing with hearing handicaps in children have been submitted by the provinces for assistance under the health grants.

The health centre for children in Vancouver annually receives grants assistance amounting to $9,000 for a study of auditory disorders in children of pre-school age in British Columbia. St. Michael's hospital in Toronto annually receives grants assistance amounting to about $35,900 for a study of perceptive and conductive deafness.

In addition, information on the causes of hearing handicaps in children does emerge as a byproduct of the work of diagnostic and treatment centres for auditory disorders in almost all provinces, which receive substantial support under the health grants.

(Translation):

CARAQUET-SHIPPEGAN—REPLACEMENT OF LIGHT BUOYS

Question No. 1,338—**Mr. Robichaud:**

Since September 1, 1961, has the Minister of Transport or his officials received representations concerning the condition of light buoys and channel markings in the Caraquet-Shippegan area, Gloucester county, N.B., and, if so (a) has proper

action been taken to provide satisfactory conditions with navigation aids in the area (b) have more powerful lights been installed to replace defective ones (c) has consideration been given to the changes requested by chambers of commerce and other organizations?

Mr. Balcer: Mr. Speaker, I have received representations from the Caraquet chamber of commerce concerning the light buoys in the Caraquet-Shippegan area of Gloucester county, New Brunswick.

(a) A meeting is being proposed near the end of February 1963 to discuss, with the chamber of commerce and the fishermen, the proper action to be taken to provide satisfactory conditions.

(b) Adequate lights will be installed to replace defective ones, on the opening of navigation.

(c) Consideration is being given to the changes requested by the chamber of commerce.

(Text):

EXCISE TAXES ON AGRICULTURAL IMPLEMENTS

Question No. 1,345—**Mr. Ethier:**

What excise taxes, if any, are now applied to agricultural implements?

Mr. Flemming (Victoria-Carleton): Excise taxes do not apply to agricultural implements; however, any agricultural implement not exempted under the provisions of schedule III of the Excise Tax Act, would be subject to sales tax.

FLOOD CONTROL STUDIES, FRASER RIVER, B.C.

Question No. 1,351—**Mr. Laing:**

1. Is the government supplied with precipitation and water content reports on the region of the Fraser river basin by the water rights branch of the province of British Columbia and, if so, what is the latest comparative figure in 1963 with each of the preceding three years?

2. Since January 1, 1962, have any submissions been made by the province of British Columbia for a comprehensive flood control program for the Fraser river?

3. Does the federal government continue to make contributions to the work of the Fraser river basin board in its studies on flood control?

Mr. Dinsdale: 1. Yes. However, the first measurements of snow depth and equivalent water content are taken about February 1 of each year and the first data for 1963 will accordingly not be available until mid-February.

2. No.

3. Yes. The federal government and the British Columbia government share equally in the cost of surveys, studies and reports.

EDMUNDSTON, N.B.—DEMOLITION OF BUILDING

Question No. 1,354—**Mr. Dube:**

Did the Department of Public Works call for tenders for the demolition of a building situated on land recently acquired by the department for the purpose of constructing a federal building in Edmundston, N.B. and, if so (a) what are the names of the bidders (b) what are the amounts of the tenders and (c) to whom has the contract been awarded?

Mr. O'Hurley: Crown Assets Disposal Corporation advertised and sold for removal from the site three (3) houses bearing civic numbers 20-22 Emerson avenue, No. 39 Court street and No. 6 Costegan street located on the new public building site in Edmundston, N.B. Offers received were as follows:—

1. Prime Rossignol, R.R. No. 1, Edmundston, N.B., $100.

2. Guay Construction Co., Ltd., 14 St. George st., Edmundston, N.B., $3. The structures were sold to the high bidder, Mr. Prime Rossignol for $100.

CONSTRUCTION OF AIR STRIP, CATALINA, NFLD.

Question No. 1,355—**Mr. Tucker:**

Has the government given consideration to the construction of an air strip in the area of Catalina, Newfoundland, and, if so, what has been the result?

Mr. McBain: Yes. As a result of a request from the authorities in Catalina, a preliminary survey of a possible site was carried out by the department last year and general information regarding the cost sharing policy of the department in regard to projects of this sort conveyed to the area. The preliminary survey indicated that the project would probably be a costly one. No word has been received from the area concerned, but if local or provincial authorities should wish to proceed on a cost sharing basis, the department would undertake a more detailed study.

(Translation):

WORKS CARRIED OUT ALONG GRAND CASCAPEDIA RIVER

Question No. 1,364—**Mr. Bechard:**

Since 1957, has any work been done by the Department of Public Works along the Grand Cascapedia river, and, if so, (a) what kind of work was carried out (b) what was the cost of such work (c) during what periods was the work done, and (d) what persons or companies carried out such work?

Mr. McCleave: Yes.

(a) Dredging, (b) $10,024.75, (c) Nov. 11th to 26th, 1960, (d) By contract awarded to Bert Dimock, New Richmond.

(a) Dredging, (b) $754.05, (c) August 16th to Sept. 14th 1962 (d) By day labour: Bert Dimock, New Richmond, Albert McWinter, Grand Cascapedia, and Everett Harrison, New Richmond.

BONAVENTURE—FINANCIAL ASSISTANCE FOR CONSTRUCTION OF RUNWAY

Question No. 1,366—**Mr. Bechard:**

Has the government of Canada contributed any money towards the building of the runway at

Bonaventure and, if so, what amount, on what date or dates, and under what agreements?

Mr. McBain: No.

(Text):

COURTENAY, B.C.—UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE FIGURES

Question No. 1,373—**Mr. Barnett:**

1. In each of the last three years how many (a) applications for unemployment insurance (b) applications for employment and (c) placements in employment were made through the office of the unemployment insurance commission and the national employment service at Courtenay, B.C.?
2. During each of these years how many of the above originated in the Campbell river area (from Oyster river north)?

Mr. Hales: 1. (a) Applications for unemployment insurance made at the Courtenay office in each of the last three years are as follows:

Year	Initial	Renewal	Total
1960	3,935	3,093	7,028
1961	3,684	2,727	6,411
1962	3,348	2,254	5,602

(b) Applications for employment (including revivals of earlier applications made by the same persons) were as follows: 1960, 9,247; 1961, 9,557; 1962, 9,486. (c) Placements made were as follows: 1960, 1,780; 1961, 1,998; 1962, 2,393.

2. Data are not available.

FEDERAL AID TO UNIVERSITIES

Question No. 1,377—**Mr. Mather:**

1. What is the total in dollars of federal aid to universities in Canada?
2. What is the total in dollars of such aid to universities in British Columbia?

Mr. Grafftey: 1 and 2. This information is printed in the public accounts under Department of Finance—university grants.

COMMITTEE TO REVIEW ST. LAWRENCE SEAWAY

Question No. 1,379—**Mr. McNulty:**

1. What are the names of the members of the committee recently selected to review aspects of the St. Lawrence seaway, which committee was referred to by Dr. Pierre Camu, vice president of the St. Lawrence seaway authority, on January 21, 1963?
2. By whom were the members of the committee selected?
3. What are the qualifications of each member of the committee?
4. What are the terms of reference of the committee?
5. When is a report expected from the committee?

Mr. McBain: The St. Lawrence seaway authority advises as follows:

1. The authority has not appointed a committee, but is proceeding with a review of the tariff of tolls for the St. Lawrence section of the seaway in accordance with the requirements of the agreement between the government of Canada and the government of the United States of America, effective April 1, 1959.
2. N.A.
3. N.A.
4. N.A.
5. N.A.

*TRI-SERVICE ORDER RESPECTING VOTING RULES

Question No. 1,382—**Mr. Pickersgill:**

1. Are any further amendments contemplated to the tri-service order issued before the general election of 1962 pursuant to rule 29 of the Canadian forces voting rules for application to any subsequent election?
2. Will steps be taken to assure that the tri-service order and any amendments thereto are drawn to the attention of all candidates in any subsequent general election?

Mr. Sevigny: 1. No.

2. Any officially nominated candidate or his accredited representative who makes application to a commanding officer for the provision of the facilities described in rule 29 of the Canadian forces voting rules will be informed that he may have a copy of the list of Canadian forces electors in the unit upon written application.

*MANOUAN AND OBEDJIWAN INDIAN RESERVES—MAIL CONTRACT

Question No. 1,384—**Mr. Laprise:**

1. Who has the contract for the transportation of mail to the Indian reserves of Manouan and Obedjiwan?
2. What is the annual cost of this transport service and how many times a week is the mail delivered?

Mrs. Fairclough: 1. Manouane, Laviolette air service, Sanmaur, P.Q. Obedjiwan is a non-post office point and there is no mail contract at the present time.

2. Manouane, (a) Estimated annual cost $2,246.40 (b) One round trip per week.

FISHERY PRODUCTS IMPORTED

Question No. 1,389—**Mr. Mather:**

What was the value of fishery products imported into Canada in 1962 and from what countries were such fishery products imported?

Mr. Nesbitt: Import statistics for the calendar year 1962 are not yet available. Values of fish and fishery products imported into Canada, by countries, during the period January 1 to September 30, 1962, are:

Country	Value
United Kingdom	$ 296,702
United States	5,094,951
Belgium and Luxembourg	515
Denmark	231,443
Finland	2,374
France	30,901
Germany West	125,596

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Country	Value
Greece	15,290
Italy	9,471
Netherlands	192,182
Norway	916,234
Portugal	337,907
Spain	21,925
Sweden	38,848
Poland	4,046
U.S.S.R.	4,054
Yugoslavia	683
Republic of South Africa	14,071
Morocco	10,295
Hong Kong	393,694
India	66,798
Malaya	7,123
Pakistan	13,067
Japan	3,197,666
Korea	13,879
Australia	45,883
Fiji	800
New Zealand	3,647
British Guiana	77,292
Brazil	10,276
Chile	4,673
Colombia	16,104
Ecuador	8,227
Peru	529,753
Surinam	18,003
Venezuela	14,136
Bahamas	627
Cuba	56,407
El Salvador	38,365
Guatemala	39,561
Mexico	884,009
Nicaragua	8,395
Panama	20,810
Total	$ 12,816,683

TESTING OF ACCREDITED AND LISTED HERDS

Question No. 1,390—**Mr. Lamoureux:**

Does the government intend to resume, through the health of animals division of the Department of Agriculture, the conducting of tests under the tuberculosis-free accredited herd and brucellosis-free listed herd programs and, if not, are any alternative arrangements being made by the Department of Agriculture to ensure the continuance of accredited and listed herds?

Mr. Pigeon: It is not intended that testing under the tuberculosis accredited and brucellosis-free listed herd programs, will be resumed except in the case of brucellosis-free listed herds in areas where the brucellosis area test has not yet commenced. In these areas, the annual brucellosis herd test will be conducted by the Department of Agriculture.

Where livestock owners in tested areas wish to maintain their herds under these policies, they may continue to do so by engaging private veterinarians, accredited by the Department of Agriculture to do these tests. The department will provide all administrative services including the maintenance of records, publication of official registries, and the issuance of certificates. In cases where infection is uncovered, the department will continue to provide compensation to owners where animals are ordered slaughtered.

The area testing programs sponsored by the Department of Agriculture for the eradication of tuberculosis and brucellosis will be continued as in the past at no cost to livestock owners.

Before introducing this change, officials in the department closely examined the effect this would have on the Canadian cattle industry. It is considered that the health standards of Canadian herds will not be reduced, nor will the change jeopardize export markets.

The tuberculosis accredited herd plan and the brucellosis-free listed herd plan were initially designed to provide a source of disease free animals for the livestock industry. They are individual herd plans and have been largely supplemented by area eradication programs covering all herds of cattle, which is a much more efficient method of eradicating disease, rather than dealing with individual herds spotted throughout the country.

(Translation):

*STATUTORY TAX EXEMPTION ON CHARITABLE DONATIONS

Question No. 1,391—**Mr. Marcoux:**

Does the government intend to grant an automatic ten per cent tax exemption on charitable donations?

Mr. Grafftey: Income tax exemptions are a matter for decision in connection with the presentation of the budget.

(Text):

DEATH SENTENCES FOR MURDER

Question No. 1,392—**Mr. Scott:**

1. In each province in Canada, how many persons at the present time are under sentence to be hanged for the commission of the crime of murder?
2. In each case, what is the date which has been set for their execution?

Mr. Bell (Saint John-Albert): 1 and 2.

Province	No. of persons sentenced to be executed	Dates set for execution
Quebec	6	Feb. 22, 1963
		April 19, 1963
		April 19, 1963
		May 10, 1963
		May 31, 1963
		June 21, 1963
Ontario	1	Feb. 26, 1963
Alberta	2	June 1, 1963
		June 1, 1963
British Columbia	1	March 5, 1963

No person is under sentence of death in the provinces of Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba, and Saskatchewan.

CUSTOMS DUTIES ON AMATEUR RADIO APPARATUS

Question No. 1,394—**Mr. Marcoux:**

Is there any competition between Canadian and American manufacturers engaged in production of amateur radio apparatus and, if not, is the government considering the reduction of customs duties on such apparatus?

Mr. Grafftey: The term "amateur radio apparatus" includes many parts and components, some of which are manufactured in Canada. The tariff item covering such apparatus is included in a reference to the tariff board, reference No. 123. The tariff board investigation will make available complete information on the nature and degree of competition between Canadian and foreign manufacturers. When the tariff board makes its report to the government on this reference, the government will, of course, give consideration to the recommendations of the board, if any, concerning the rate of customs duty on such apparatus.

ACQUISITION OF MANOR HOUSE, WILLIAMSTOWN, ONT.

Question No. 1,398—**Mr. Ethier:**

Has the government given consideration to the acquisition, as an historic site, of the Sir John Johnson manor house in Williamstown, Ontario?

Mr. Dinsdale: The closest and most sympathetic consideration has been given to the preservation of this fine building, which is one of the oldest in Ontario. The historic sites and monuments board of Canada have studied it, and on their recommendation the Sir John Johnson house has been declared to be of national historic importance. It was the board's view also that ways should be found to ensure its preservation, and to this end there have been discussions with Ontario provincial authorities about sharing capital costs between the two governments. An announcement will be made when a decision is reached.

GOVERNOR GENERAL'S OFFICE—ADMINISTRATION AND UPKEEP

Question No. 1,401—**Mr. Mather:**

What amount, in dollars, was provided for each of the fiscal years 1957, 1958, 1959, 1960, 1961, and 1962 for (a) the administrative expenses in respect to the office of the Governor General and (b) the expenses in regard to the upkeep of the Governor General's residence and properties?

Mr. Halpenny: This information is contained in the public accounts of the years in question.

FEDERAL AID TO HIGH SCHOOL STUDENTS

Question No. 1,402—**Mr. Mather:**

Is the government giving consideration to working out a program, in partnership with the provinces, to financially assist high school students whose academic standing merits advancement but whose family circumstances are inadequate to send such students to university?

Mr. Grafftey: Matters relating to government policy are announced at the appropriate time.

*WEST GERMANY—CANADIAN CLAIMS FOR NAZI PERSECUTION

Question No. 1,404—**Mr. Herridge:**

Has the Canadian government received notice from the West German government that it has set a final date for the disposition of all claims that the victims of Nazi persecution might have against it and, if so, have Canadian citizens with unsatisfied claims for Nazi persecution been notified of this decision?

Mr. Green: Mr. Speaker, we are not aware of any final date having been set by the West German government along the lines suggested by the hon. member for Kootenay West. I understand that legislation on this subject may be introduced in the German parliament later this year. My officials, of course, do not know the scope or provisions of the legislation which is contemplated by the German authorities or whether any Canadians may be affected, but we will certainly do our best to assist Canadian citizens who might have a claim under such legislation.

PROFITS AND TAXES OF CHARTERED BANKS

Question No. 1,406—**Mr. Mather:**

1. What was the net profit of each of the chartered banks after published provision for dominion and provincial taxes in each of the years 1960, 1961, and 1962?

2. What was the amount of dominion and provincial taxes of each of the banks for these years?

3. What was the total of transfers made to contingent reserve fund from the earnings of each of the chartered banks in these years?

Mr. Grafftey: 1. The published net profit of each of the chartered banks after transfers to inner reserves and provision for income taxes for fiscal years was as follows, in thousands of dollars:

Questions

	1960	1961	1962
Bank of Montreal	$14,227	$14,579	$16,013
The Bank of Nova Scotia	6,925	7,873	8,466
The Toronto-Dominion Bank	6,652	7,561	8,245
La Banque Provinciale du Canada	1,450	1,540	1,951
Canadian Imperial Bank of Commerce	16,734(a)	17,700	19,190
The Royal Bank of Canada	19,504	20,760	21,492
Banque Canadienne Nationale	3,069	3,242	3,484
The Mercantile Bank of Canada	1	1	1

(a) Combined figures of the Canadian Bank of Commerce and Imperial Bank of Canada before amalgamation.

2. Provisions for income taxes reported by the banks include those on taxable portion of additions to and amounts retransferred from inner reserves and foreign income taxes and are as follows, in thousands of dollars:

	1960	1961	1962
Bank of Montreal	$17,352	$18,044	$18,353
The Bank of Nova Scotia	7,825	8,975	9,500
The Toronto-Dominion Bank	7,070	8,300	9,110
La Banque Provinciale du Canada	1,605	2,050	2,091
Canadian Imperial Bank of Commerce	25,280(a)	29,211	20,172
The Royal Bank of Canada	28,560	30,750	20,875
Banque Canadienne Nationale	3,035	4,355	4,575
The Mercantile Bank of Canada	nil	nil	nil

(a) Combined figures of the Canadian Bank of Commerce and Imperial Bank of Canada before amalgamation.

3. The transfers by each of the chartered banks to inner reserves from taxable income are limited in amount by rules of the Minister of Finance issued under subsection (1) of section 68 of the Bank Act. The maximum reserve that a bank may so create in any fiscal year is calculated as a percentage of certain risk assets. For the past three years these were: 1960—4.752 per cent, 1961—4.008 per cent, 1962—3.624 per cent. The amounts of the transfers and of the reserves are available to the minister for income tax purposes but are not public information.

BANK RESERVES TO MEET BAD DEBTS, DEPRECIATION, ETC.

Question No. 1,407—**Mr. Berger:**

1. During each of the years from 1955 to 1962 inclusive, what was the amount set aside or reserved by each of the chartered banks of Canada out of income, either by way of write down of the value of assets or appropriation to any contingency reserve or contingent account for the purposes of meeting losses on loans, bad or doubtful debts, depreciation in the value of assets other than bank premises or other contingencies?

2. Were the amounts set aside or reserved out of income for the aforementioned purposes subject to income tax?

3. Did the Minister of Finance in any of the years in question, decide that the amounts set aside or reserved out of income by any bank or banks for the aforementioned purposes were in excess of the reasonable requirements of the bank, having regard to all the circumstances, and notify the Minister of National Revenue accordingly, pursuant to section 68, subsection 1, of the Bank Act?

Mr. Grafftey: 1. (a) The amount set aside by a bank and transferred to inner reserves out of taxable income are limited by rules of the Minister of Finance issued under subsection (1) of section 68 of the Bank Act. The amounts of the transfers and of the reserves are available to the minister for income tax purposes but are not public information. (b) The amounts set aside and transferred to inner reserves after payment of income taxes thereon are available to and assessed by the taxation division of the Department of National Revenue and are not public information.

2. See answer to 1.

3. No.

*SHIPMENTS OF FLOUR TO RED CHINA

Question No. 1,415—**Mr. Benidickson:**

To date, having regard to ministerial announcements during the 1960-61 parliamentary session, that its trade agreement with the communist China government included sale of flour, how much flour has been shipped to China from Canada in accord with the announcements?

Mr. Jorgenson: At the time of the first sales contract concluded with mainland China provision was made for a limited quantity of Canadian flour (1.5 million bushels wheat

equivalent) subject to the negotiation of mutually satisfactory prices between Canadian flour mills and the Chinese purchasing agency. Negotiations were entered into but, as a result of the availability from other sources of lower grade flour, no satisfactory agreement on prices could be reached. No Canadian flour has been shipped to date.

*ARDA PILOT PROJECT, NEW BRUNSWICK

Question No. 1,416—**Mr. Robichaud:**

Has the Minister of Agriculture received representations from the government of the province of New Brunswick requesting that a certain section of northeastern New Brunswick be regarded as a pilot project for rural development purposes under the ARDA program and, if so, (a) what specific area is covered in the application (b) is the minister prepared to give favourable consideration to such representations and (c) is the minister in a position to give assurance that the studies and investigations required for this development will be undertaken during the spring and summer of this year?

Mr. Jorgenson: Yes, representations have been received from the government of New Brunswick requesting certain sections of northeastern New Brunswick be regarded as a pilot project for rural development under the agricultural rehabilitation and development administration.

(a) The area covered by the application is all of Gloucester county, the largest part of Restigouche county and part of Northumberland county.

(b) Full consideration will be given to the representations.

(c) If approved jointly by the governments of Canada and New Brunswick as a rural development area, studies and investigations will proceed as rapidly as the necessary joint arrangements can be made.

EXPORT PERMIT, DE HAVILLAND COMPANY

Question No. 1,435—**Mr. Caron:**

Did the de Havilland Company apply for an export permit during 1962 in connection with a $10,000,000 contract for the government of Indonesia and, if so, was the permit granted and, if not, for what reason was it refused?

Mr. Nesbitt: As stated in the permit application form, all details of export permit applications are confidential and disclosure of such information with respect to applications is not in the public interest.

HORNE LAKE, VANCOUVER ISLAND—ACQUISITION OF PROPERTY

Question No. 1,442—**Mr. Cameron (Nanaimo-Cowichan-The Islands):**

Has the Department of Fisheries acquired any property around the shores of Horne lake on Vancouver island in connection with the installation now under construction there and, if not, have any agreements been concluded with the riparian land owners?

Mr. MacLean (Queens): Yes, the department has acquired property from a number of land owners and has concluded agreements with the others.

Supplementary information: Property has been purchased from one private owner, Mr. Phillips, and two companies, Northern Development and Olympic Logging Company.

(Translation):

*REMUNERATION OF VICE PRESIDENT OF WORLD EXHIBITION CORPORATION

Question No. 1,444—**Mr. Lessard (St. Henry):**

1. What is the salary or remuneration of the president and vice president of the Montreal world exhibition corporation?

2. What will be the salary or remuneration of the twelve commissioners?

3. What is the term of office of the president, vice president, and commissioners of that exhibition?

Mr. Sevigny: 1. The commissioner general and the deputy commissioner general of the world exhibition will receive no salary.

2. The same applies to the directors.

3. The president, the vice president and the directors of the exhibition are appointed by the government for a term left to the discretion of the federal authorities.

(Text):

QUESTIONS PASSED AS ORDERS FOR RETURNS

*LEGISLATION RESPECTING PORTABLE PENSIONS

Question No. 1,292—**Mr. Roxburgh:**

1. Has the government been informed of any progress made since November 26 by the provinces toward adopting legislation enabling the portability of pensions?

2. Is the government of the opinion that provincial progress has been sufficient to warrant the bringing forward of complementary legislation to deal with industries under federal jurisdiction?

3. Has the government considered making parliamentary pensions portable?

EXPENDITURES BY GOVERNMENT PERSONNEL ON OVERSEAS AIR TRANSPORTATION

Question No. 1,358—**Mr. Davis:**

What amount of money was spent during the latest year of record on overseas air transportation by government personnel (a) travelling on Canadian based carriers and (b) travelling on foreign air lines?

WHEAT AND FLOUR EXPORTS—TRADE WITH JAPAN

Question No. 1,360—**Mr. Matheson:**

1. What percentage of the total world exports in wheat and flour was supplied by Canada each year commencing 1950?

2. What volume of wheat and flour was purchased by Japan in each of these years, and what proportion of Canada's total sales to all countries did these purchases represent?
3. By what value did Canada's sales to Japan exceed her imports from Japan in each of these years?
4. By years, how many items imported by Canadians were subjected to voluntary export control by the Japanese in an attempt to co-operate with this government?
5. What steps has this government taken, with dates, the effect of which has been to curtail or limit or restrict Japanese sales to Canada?

Mr. Halpenny: Return tabled.

*UNEMPLOYMENT ASSISTANCE PAYMENTS TO QUEBEC

Question No. 1,361—**Mr. Deschatelets:**

From January 1962 to date, what have been the various amounts which the federal government has paid per month to the province of Quebec under the federal-provincial agreement on unemployment assistance?

Mrs. Casselman: Return tabled.

*SALE OF CL-44 PLANES TO PAKISTAN AND GERMANY

Question No. 1,370—**Mr. Howard:**

1. What plans, in detail, exist or are contemplated, to give assistance for the sale of CL-44's to (a) Pakistan and (b) Lufthansa?
2. What steps is the government taking to obtain work for Canadair and thus halt the trend toward workers being laid off?

Mr. O'Hurley: Mr. Speaker, the answer to this question covers a full page. Do you want me to read it or shall I table it?

Mr. Speaker: In view of the length and complexity of the answer the minister might ask that it be made an order for return tabled herewith.

Mr. O'Hurley: Order for return tabled herewith.

CANADA-U.K. IMPORTS AND EXPORTS

Question No. 1,376—**Mr. Matheson:**

1. In each of the fiscal years since April 1, 1958, have exports from Canada to the United Kingdom exceeded imports and, if so, by what amounts in each year?
2. Have any legislative, administrative or fiscal measures been adopted by Canada since June 21, 1957, which have the effect of limiting, restricting or taxing imports from the United Kingdom and, if so, what are these measures, what is their scope, and on what date was each put into effect?

DR. A. R. MOLOZZI

Question No. 1,381—**Mr. Fisher:**

1. Has Dr. A. R. Molozzi a position with defence research board and, if so, what are his duties and salary?
2. Was Dr. Molozzi speaking as a scientist of defence research board or as an ordinary citizen at Kitchener last week when he was quoted as saying, "I never have been able to understand a politician."?
3. If the former, what was the context of his remarks?

Mr. Sevigny: Return tabled.

AUTOMOBILES MANUFACTURED AND IMPORTED

Question No. 1,388—**Mr. Mather:**

1. How many automobiles were manufactured in Canada in 1962, and what was the value of same?
2. How many automobiles were imported into Canada in 1962?
3. From what countries were they imported, and what was the value of the cars imported from each such country?
4. How much was collected in customs duties on the cars so imported?
5. How much in taxes was collected on the cars manufactured in Canada in 1962?

YVON GUIMOND, R.C.A.F. STATION, ST. JEAN, QUE.

Question No. 1,399—**Mr. Dupuis:**

1. Does Mr. Yvon Guimond, stationary engineer first class, at the R.C.A.F. station, St. Jean, Quebec, hold a third class engineer's certificate for the province of Quebec and, if so, when did he acquire such certificate?
2. Is Mr. Guimond employed by the federal civil service?
3. Did he obtain the post he now occupies through civil service examination and, if so, when did the test take place, and what was his ranking?
4. If Mr. Guimond did not qualify by examination, how did he obtain his present position?

Mr. Sevigny: Return tabled.

REDUCTIONS IN CIVIL DEFENCE ESTIMATES

Question No. 1,409—**Mr. Haidasz:**

Were any reductions made in the estimates relating to civil defence for the fiscal year ending March 31, 1963 and, if so, what projects were eliminated by these reductions?

*COMPLAINTS RESPECTING PESTICIDES

Question No. 1,411—**Mr. Haidasz:**

1. Has the government received any complaints from the Canadian consumer association concerning the abuse of pesticides?
2. Is the government intending to prosecute offenders in the field of pesticides and, if so, against whom will these prosecutions be made?

THE MINISTRY

INQUIRY AS TO ACTING MINISTER OF NATIONAL DEFENCE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister who is Acting Minister of National Defence?

Right Hon. J. G. Diefenbaker (Prime Minister): The associate minister.

Hon. Paul Martin (Essex East): May I ask a question of the Acting Minister of National Defence. In view of the statement he made

on Thursday last to the effect that there was no difference of opinion between himself, as associate minister, and the Minister of National Defence, may I ask the hon. gentleman when we may expect his resignation?

Mr. Speaker: That is a rhetorical question.

(Translation):

[*Later:*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my question is intended for the Prime Minister. Could he tell us whether the resignation of the Minister of National Defence (Mr. Harkness) can be interpreted as an anti-nuclear policy on the part of the government?

NATIONAL DEFENCE

INQUIRY AS TO MEETING OF JOINT U.S.-CANADA COMMITTEE

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to address a question to the Associate Minister of National Defence. Could he tell the house whether the joint standing council on defence will hold a meeting this week in San Francisco? If so, could the minister indicate what matters will be discussed there?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, in answer to the question put by the hon. member for Laurier, I must say that the announcement concerning that meeting will be made in due course and I think that his curiosity will be satisfied.

(Text):

BOMARC BASES—INQUIRY AS TO DISMANTLING

On the orders of the day:

Mr. Thomas Berger (Vancouver-Burrard): Mr. Speaker, may I direct a question to the Acting Minister of National Defence. May I ask the minister whether in view of the fact that the United States defence secretary, Mr. McNamara, has told a congressional committee the Bomarc B has only limited usefulness, even against manned bombers, can the minister assure us that under any new dispensation of national defence the government will dismantle the Bomarc bases?

Mr. Speaker: Order. First of all the hon. member is in actual fact inviting comment or a controversial answer from a minister about something said by someone outside the house.

Mr. Berger: On a point of order and with great respect, Mr. Speaker, I submit that the question was a proper question and was in order. The house has a new minister in charge of this department. The new minister, and in fact the former minister, have at no time commented upon the revelations that came from defence secretary McNamara. They commented on the revelations that emanated from the state department, but in view of these later vitally important revelations I suggest with great respect—

Mr. Speaker: Order. It is still the same thing.

NATO—ARMING OF CANADIAN TROOPS WITH NUCLEAR WEAPONS

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I would like to ask the Acting Minister of National Defence whether Canadian troops stationed with NATO will be armed with nuclear weapons.

Mr. Speaker: Order. This is a matter of policy.

(Translation):

HOUSE OF COMMONS

REPORTED RANSACKING OF FILES OF PRESS GALLERY MEMBERS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a question to the Minister of Justice. Can the minister tell us whether the R.C.M.P. will make an investigation on the ransacking and pilfering of documents and files of French language parliamentary correspondents when their quarters were broken into during the night from Saturday to Sunday last?

Mr. Speaker: Order. I think the hon. member will admit that his question should be placed on the order paper.

Mr. Gregoire: On a point of order, Mr. Speaker. Since the beginning of the session, similiar questions have been put concerning investigations, and they were always allowed. Now, a vandalistic act is committed in a parliament building and I am told this question should be placed on the order paper. I simply ask—

Mr. Speaker: I know that the house is familiar with certain events, but I am nevertheless of the opinion that the question should be placed on the order paper.

[*Later:*]

Mr. Gregoire: Mr. Speaker, I should like to put differently the question I asked a short while ago. Has the Minister of Justice authorized an investigation with regard to the destruction of documents belonging to French Canadian newspapermen in the house?

Hon. Donald M. Fleming (Minister of Justice): Mr. Speaker, I have not received any information on that matter, but I will be very happy to make an investigation.

Inquiries of the Ministry

Mr. Gregoire: Mr. Speaker, a supplementary question. Am I to understand that the newspapermen's office was ransacked and that the Minister of Justice is not aware of it?

Mr. Speaker: I do not want to speak for the minister, but it seems to me that this is a matter for the Sergeant-at-Arms or the Chair.

(Text):

BUSINESS OF THE HOUSE

INQUIRY AS TO TABLING OF ESTIMATES FOR 1963-64

On the orders of the day:

Mr. Walter L. Gordon (Davenport): I should like to direct a question to the Minister of Finance. Will the minister inform the house when the estimates for the fiscal year beginning next April 1 will be tabled?

Hon. George C. Nowlan (Minister of Finance): In the very near future, Mr. Speaker.

Mr. Gordon: May I ask a supplementary question. In view of the fact that the estimates for the fiscal year beginning April 1 have not yet been tabled, does the minister still believe it will be possible for him to introduce an early budget?

Mr. Nowlan: It will be possible to bring in an early budget.

REQUEST FOR SETTING UP OF DEFENCE COMMITTEE

On the orders of the day:

Mr. Horace A. Olson (Medicine Hat): I should like to direct a question to the Prime Minister. In view of the division in the cabinet in respect to matters of national defence, is he now prepared to give consideration to setting up a parliamentary defence committee to consist of representatives of all parties in this house so we can clear up this confusion?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, in so far as the first portion of the question is concerned, there is no confusion. As to the latter part, when the government wishes to make an announcement in this regard, and is in a position to do so, that will be done.

REQUEST FOR ANSWERS TO QUESTIONS ON ORDER PAPER

On the orders of the day:

Mr. John R. Matheson (Leeds): Mr. Speaker, I wish to address a question to the Secretary of State. In view of the fact that questions No. 1,265 relating to the Bomarc and No. 1,266 relating to the Honest John have three times been stood over, would the Secretary of State be kind enough to arrange that there might be early replies to these two questions?

Hon. G. E. Halpenny (Secretary of State): Mr. Speaker, these are matters for the department to consider. As soon as we get the answers in our department we will have the questions answered.

TRANSPORT

RAILWAY BRANCH LINES—MEETING WITH PROVINCIAL PREMIERS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Minister of Transport. Will the minister say whether, as a result of the meeting with the prairie premiers, it has now been agreed to have an independent inquiry, separate from the board of transport commissioners, into the whole question of rail branch line abandonment?

Hon. Leon Balcer (Minister of Transport): I met last week with the three premiers to the prairie provinces and three or four of my colleagues. These premiers made representations concerning legislation arising from the MacPherson report. It was a very constructive meeting, and they made all their representations. The officials of the provinces and our officials met informally to discuss various matters that needed clarification, and I think the whole meeting was extremely constructive and will produce great results.

Mr. Argue: I wonder if the minister would care to comment on that part of my question wherein I asked whether or not there would be an independent inquiry, outside of the board of transport commissioners, as was requested.

Mr. Balcer: This legislation arising from the MacPherson report will be presented to the house in due course and the curiosity of my hon. friend will be satisfied then.

Mr. Argue: I am sure I will not agree with your policy.

FISHERIES

REFERENCE TO COMMITTEE OF REPORT OF NORTH PACIFIC COMMISSION

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Fisheries, and ask whether in the quiet moments over the week end he came to a decision about referring the recommendations of the international north Pacific commission regarding halibut and herring stocks to the marine and fisheries committee.

Hon. J. A. MacLean (Minister of Fisheries): No, Mr. Speaker.

REPORTED STATEMENT BY MINISTER RESPECTING NORTH PACIFIC TREATY

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Fisheries. According to a report appearing in a Toronto Japanese language newspaper the minister is reported as having promised the Japanese minister of agriculture in Tokyo, Mr. Shigemasa, that he will do his utmost in seeking a review of the Japanese-Canadian-U.S. north Pacific fishery treaty with Mr. Stewart Udall, U. S. secretary of the interior. Could I ask the minister if this includes the recommendation to amend the annex to the treaty proposed by the north Pacific fisheries commission?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, the report if correctly quoted is garbled and does not reflect at all correctly any discussions between myself and Mr. Shigemasa.

Mr. Cameron (Nanaimo-Cowichan-The Islands): May I ask a supplementary question. Could the minister tell us what he did say in Tokyo?

Mr. Speaker: Order. That is not a subject for this time of the day.

(Translation):

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Mr. Jean-Paul Cook (Montmagny-L'Islet): My question is addressed to the Minister of Finance and has to do with a matter about which Canadians everywhere are wondering. Could the minister tell us if he has set a date for the tabling of his new budget?

Mr. Speaker: That question was asked this afternoon, a few minutes ago.

TRADE

WORLD FAIR—INQUIRY AS TO CHOICE OF SITE

On the orders of the day:

Mr. Georges C. Lachance (Lafontaine): Mr. Speaker, may I put a question to the Acting and Associate Minister of National Defence (Mr. Sevigny)? Could he possibly tell us whether the site of the world exhibition will be selected by the board of directors of the exhibition corporation or by the federal, provincial and municipal committee?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, the site of the exhibition will be selected eventually after consultation between the board of directors of the world exhibition corporation and members appointed to the committee until now.

Hon. Lionel Chevrier (Laurier): As a supplementary question, Mr. Speaker, I wonder if the minister could give us the names of the directors of the Canadian World Exhibition Corporation?

Mr. Sevigny: In a few days.

(Text):

WHEAT—ALLEGED DROP IN EXPORT SALES

On the orders of the day:

Mr. Horace A. Olson (Medicine Hat): I should like to direct a question to the Minister of Agriculture. In view of the recent release by the dominion bureau of statistics indicating a drastic drop in export sales of wheat, has the minister any plans or negotiations under way that will make up for this drop during the balance of the current crop year?

Mr. Speaker: Order. I think the hon. member will recognize that he expressed certain opinions in the first part of his question. If hon. members would trim their questions of such remarks they would be much more acceptable. Subject to that, if the minister wishes to reply—

Mr. Olson: On a point of order, Mr. Speaker, these are official documents from the dominion bureau of statistics, which show there is no question about a drop.

Mr. Speaker: There may be a drop, but it is a point that some hon. members might consider it a drastic drop and others might not.

Mr. Hazen Argue (Assiniboia): On the point of order, Mr. Speaker, is it not in order to ask the Minister of Agriculture to explain this tremendous drop in export sales of wheat, and whether anything is being done about it.

Mr. Speaker: There is no difficulty about the question, but I caution hon. members about using terms which are indicative of opinion on their part. In so far as the rest of the question is concerned, if the minister wishes to answer it that is quite all right.

Hon. Alvin Hamilton (Minister of Agriculture): I think, Mr. Speaker, that the hon. member who originally asked the question is unaware of the fact that the D.B.S. figures are usually considerably behind the actual

facts. This is the way it should be. I would point out to the hon. member, strictly on a statistical basis, that the same type of question has been asked before figures were released for the end of the year, and I can assure the house that the figures at the end of this year will be figures amounting to a near record.

Some hon. Members: Hear, hear.

Mr. Argue: As a supplementary question, I wonder whether the Minister of Agriculture is telling us he thinks the sales can be increased above the 300 million bushel figure he used in Regina on November 8.

Mr. Speaker: Order. We are getting into a little debate on this.

POWER

COLUMBIA RIVER—INQUIRY AS TO PROGRESS OF NEGOTIATIONS

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): I should like to direct a question to the right hon. Prime Minister, reminding him of the fact that we have another international treaty that should be given consideration. Could the Prime Minister inform the house of the progress of the negotiations that may be taking place that will result in the draft Columbia river treaty being ratified?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, this has become a regular daily question by the hon. gentleman. I do not want to deprive him of the pleasure of asking this type of question, but as has been said before the answer has been given over and over again.

Mr. Byrne: Mr. Speaker, I should like to ask a supplementary question. Would the Prime Minister consider setting up a royal commission to investigate the baffling questions that seem to be facing the government on this question?

Mr. Speaker: Order. I think the hon. member will recognize his question is not in order.

Mr. Diefenbaker: The hon. gentleman's questions are very baffling.

Mr. H. W. Herridge (Kootenay West): I have a supplementary question which I would like to address to the Minister of Public Works. In view of his statement to the inland empire waterways association meeting in Spokane in October, 1961 that the Columbia river treaty would be signed not later than March, 1962, does he think in view of the lapse of time he should give us another date when we can expect the signing of the treaty?

[Mr. Hamilton.]

Hon. E. D. Fulton (Minister of Public Works): Mr. Speaker, I am very glad to find that my statement of a year and a half ago is still regarded as urgent.

EXTERNAL AFFAIRS

CANADIAN REPRESENTATION BEFORE U.S. SENATE SUBCOMMTTEE

On the orders of the day:

Mr. Horace A. Olson (Medicine Hat): I would like to address a question to the Secretary of State for External Affairs. In view of the fact that the United States Senate has set up a committee to study Canadian-American relations, has he been asked for or volunteered representation or witnesses to present the Canadian point of view?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I think the hon. member is quite wrong in his understanding of what this Senate committee of the United States is doing. It is merely investigating one question over which there was controversy last week, and of course Canada is not represented before such committees.

CONDUCT OF NUCLEAR ARMS NEGOTIATIONS WITH U.S.

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Secretary of State for External Affairs if he can say whether it is a fact, as reported, that the negotiations between Canada and the United States on the matter of nuclear arms are being conducted by officials of the Department of External Affairs?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, this question was asked the other day and one of the hon. members was told then that these are secret negotiations. They are still under way.

Mr. Martin (Essex East): May I ask a supplementary question. It is appreciated these negotiations are secret, but we are not asking the nature of the negotiations. My question was, are the negotiations being carried on by officials of the Department of External Affairs?

Mr. Green: Mr. Speaker, the Department of External Affairs is always involved in negotiations of this kind.

OLD AGE PENSIONS

REQUEST FOR INCREASE DURING PRESENT SESSION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In case anything

should happen to this parliament, will the government consider bringing in legislation at an early date to raise the old age pension to $75 a month?

Some hon. Members: Oh, oh.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not know the meaning of those words "in case anything happens to this parliament". We will have a debate today, I presume, on the question of confidence; and as to whether anything happens, the hon. gentleman will make his own contribution.

SUPPLY

Hon. George C. Nowlan (Minister of Finance) moved that the house go into committee of supply.

ALLEGED LACK OF LEADERSHIP, CONFUSION AND INDECISION

Hon. L. B. Pearson (Leader of the Opposition): This motion, Mr. Speaker, once again gives the house an opportunity to move any motion that it desires to move to express its views on the government of the day. In this regard we are once again discharging our historic and traditional duty in the opposition of refusing to grant supply before there is redress. This is the second supply motion to be moved since this parliament met on September 27 last, and in accordance with our rules four more supply motions must be moved.

A few moments ago one hon. member asked a question on the assumption that something may happen to this parliament. Well, we will have a chance to decide tomorrow evening, unless something else happens before then, Mr. Speaker, what should happen to this parliament at this time. But whatever may happen to this parliament, there is no doubt what has happened to this government. It has lost the confidence of this house, and it has lost the confidence of this country. There is no doubt, from statements made by representatives of all opposition parties—no doubt in the world—that this government no longer has the confidence of the majority of the members of this house. All that is now required is for those members and those parties which have expressed their lack of confidence in this government to show that lack of confidence in the decision we will be taking on this motion.

The motion that I propose to move, Mr. Speaker, at the end of my remarks will certainly be a motion of non-confidence, and of non-confidence not merely in respect of any one particular issue but of the way in which this government has conducted the affairs of the country and the affairs of this parliament since we met last September.

Mr. Diefenbaker: Running away.

Mr. Pearson: If ever a government has lost the confidence of the people, Mr. Speaker, it is this one—and I am glad to see the Prime Minister taking that down.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: No; I was simply pointing out that you are running away from the issue.

Mr. Pearson: No amount of manoeuvring, no sleight of hand, no tricks can obscure this obvious loss of confidence of the house and of the country. No amount of this kind of thing can save the government or divert public opinion, indeed, from the weaknesses of this government. Perhaps the high point—or, if you like, the low point—in this regard was reached last Friday in the somewhat juvenile performances that went on, the theatrical appearances and disappearances, the collection of crowds which then gradually disappeared and re-collected on the basis of contrived and circulated rumours, all to give the impression that this parliament was on the very verge of dissolution.

Mr. Churchill: Your nervousness was very marked.

Mr. Pearson: Certainly whatever may have then been the position of this parliament, whatever brink we may have been on last Friday, there is no doubt that over the weekend the government has been over the brink in so far as dissolution is concerned. I suggest that the situation which faces us in this country, nationally and internationally, is too serious for the kind of party posturing such as we had last Friday. But I suppose we must continue to expect it from the government as a substitute for the kind of action we should be getting. Indeed, it all conforms to the practice of this government, its ingrained and now inevitable tendency to avoid a decision on anything at almost any price, to keep throwing up smokescreens in order to obscure reality, the reality and seriousness of our problems; smokescreens, Mr. Speaker, that will help the government to avoid doing anything today that can be put off for postponement tomorrow. In looking around for particular matters to illustrate and support this charge of indecision, delay and ineffectiveness as a government, one has no trouble finding an abundance of ammunition. I propose to deal, though briefly with some of these matters as I go along.

There is the lack of any long range economic proposals, which I will come to later.

There is the refusal to allow parliament to even discuss $200 million of taxation imposed by order in council of doubtful legality. There is the incredible confusion and delay over the Columbia treaty. But there is one subject, Mr. Speaker, that remains at the moment uppermost in our minds as an illustration of what I have been saying in respect of government policy, or lack of policy. That subject is defence, which is the best example at the moment of government bungling and indecision, of contradictions and confusions made all the more obvious by the resignation of the minister of national defence who only a very short time ago made a gallant effort to clarify inside and outside this house the ambiguous statements of the Prime Minister.

Mr. Hellyer: To clarify the unclarifiable.

Mr. Pearson: Now that minister who was engaged in clarification—and I think he should be given all the credit that we on this side would like to give him for his efforts to help his Prime Minister at that time—says in his letter of resignation:

> For over two years you have been aware that I believed nuclear warheads should be supplied to the four weapons system we have acquired which are adapted to their use. Throughout this period,

the minister went on,

> I believed that they would be authorized at the appropriate time.

As long as that time had not arrived, and perhaps it would not arrive until they were actually delivered into the hands of those who would be asked to use them if the awful emergency occurred which required their use, then it was possible for the minister of defence to argue that the decision could be postponed. But the appropriate time in the minister's mind had come; yet the government refused to take the action to which it had committed this country when the appropriate time came, and which action we claim they should take. Therefore the minister had no alternative as an honourable man but to take the action which he did, resignation. This underlines what we have been saying all along on this side of the house, namely that there was conflict, confusion and division inside the government on a matter of such vital importance and which surely, Mr. Speaker, made it all the more necessary to bring this question of national defence before parliament so that these confusions and indecisions could be cleared up if possible. There has never been a time in the history of our parliament, Mr. Speaker, when the record of discussion of matters of such vital importance as national defence has been so sterile and so negative. It is a long time since we have had anything approaching a statement by the government, oral or written, about the problems of national defence which face this country. All we have been told is that there is no disagreement in the cabinet; that the responsibilities undertaken by the cabinet will be carried out. The Minister of National Defence said last week that whatever our commitments were we would discharge them; that the Prime Minister and he were agreed on that.

Mr. Diefenbaker: Mr. Speaker, I do not want to interrupt the hon. member but he cannot go on a scattergun journey. He can only speak on a vote of non-confidence on a matter in respect of which he intends to move such a vote.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I have observed that the Leader of the Opposition (Mr. Pearson) started out on two or three angles and then he came back to defence. Whatever it is, I have no objection to his having all the time he wants to; but he cannot go on one of these expeditions where he just draws a general shot at everything.

Mr. Deputy Speaker: Perhaps I could give the house the citation I was looking for while I was listening. It is to be found on page 201 of Beauchesne's fourth edition, citation 238(2). I know that the Leader of the Opposition (Mr. Pearson) is familiar with that citation. It goes on to say at one point:

> The debate in such a case must be strictly relevant to the item, and when it has been disposed of, no reference can again be made to it—

—and so on. Mr. Speaker Beaudoin is reported in the first column of page 3790, volume 4 of the debates of 1955 as follows:

> What I am concerned about is that we should not deviate from what has been the practice with respect to the raising of grievances. It must be a specific grievance.

I am sure that the Leader of the Opposition is going to come to one specific point. I recall his opening words, that he had considered a number of subjects, and I was hoping he would eventually launch on to one in due course.

Mr. Berger: He has not made up his mind.

Mr. Pearson: The Prime Minister has graciously indicated that if I will move my motion I will be given all the time I want. That happens to be in the rules so I do not need his assistance on that.

Mr. Diefenbaker: I simply want the hon. gentleman to stay within the rules and let us have none of the old scattergun.

Mr. Pearson: I appreciate these interruptions from the Prime Minister; I wish they would all get on *Hansard*, that is all.

Mr. Diefenbaker: So there will be no doubt about it, I want it to be on *Hansard* that this kind of scattergun nonsense cannot go on. The hon. gentleman must specifically restrict himself to the subject on which he intends to move non-confidence.

Mr. MacEachen: Mr. Speaker, I wish to speak to the point of order which has been raised by the Prime Minister. In so doing I wish to draw to Your Honour's attention the citation which you used in support of the tentative ruling you were about to make. The citation you referred to has to do with a discussion in committee of supply on an item of the estimates. It seems to me the matter is very well established. As a matter of fact there is a citation in Beauchesne that establishes such a wide limit of debate on this kind of motion that it is possible for an hon. member to make a speech for 30 minutes or 35 minutes on one subject and to move a motion on an entirely different subject. That is established within the limits of Beauchesne and there is a citation to that effect.

Mr. Bell (Saint John-Albert): What citation is that?

Mr. MacEachen: Mr. Speaker—

Mr. Bell (Saint John-Albert): What citation is that?

Some hon. Members: Order.

Mr. MacEachen: I want to make this point to Your Honour. It was obvious to any hon. member who was listening to the Leader of the Opposition and was not nervously apprehensive about the next day or so that he was making a charge against the government of indecision and lack of leadership. That was his main charge and that is likely to be the charge mentioned in the motion. Surely it is open to the Leader of the Opposition in supporting that charge to refer to any subject matter within the confines of the federal government which will establish lack of decision and lack of leadership.

Mr. Churchill: If I may speak to the point of order, Mr. Speaker, the reference which I think should be drawn to the attention of the house in Beauchesne's fourth edition is on page 199, citation 234(2). It reads as follows:

> (2) It often happens, on the motion that the Speaker leave the chair for committee of supply, that members air grievances without moving amendments. A member may speak on railway rates, another on naturalization, and so on. Five or six different matters may then be brought to the government's attention. Once debate is concluded on one matter and another matter intervenes, members cannot again discuss the former. No member is allowed to speak more than once on the motion. He cannot discuss all the matters which may then come up, and when he has spoken on one of them he has exhausted his right to speak to the motion before the house, namely, "That the Speaker do now leave the chair".

The point of that citation is that the person speaking on this motion must be specific; either he deals with a subject without moving an amendment or he moves an amendment which discloses his subject and then speaks to the subject. However, he cannot range over the whole field of the business of the country.

Mr. Deputy Speaker: Perhaps I should continue with the citation to which I referred earlier. Then I shall be glad to hear the hon. member for Ottawa West. This is a ruling of Mr. Speaker Beaudoin. I will quote a little more fully from page 3790 of the debates of 1955, volume IV:

> What I am concerned about is that we should not deviate from what has been the practice with respect to the raising of grievances. It must be a specific grievance. According to the remarks the hon. member for Prince Albert has just made in explanation of what he intends to bring forward, he wants to deal with markets generally and the loss of markets for farm products and then, although he has already dealt with wheat, he wants to deal with the South Saskatchewan dam. He has just indicated he wants to deal with that point because that is the point to which the editorial in the Regina *Leader-Post* has reference. Furthermore, he wants to deal with the low incomes with which the farmers are now being faced. Maybe the hon. member is going to conclude his remarks with an amendment to the motion to go into supply. That would certainly specify the grievance he has in mind.
>
> If he is not going to terminate his remarks with such an amendment, then I am afraid I must say he can always deal with these various other subjects when other motions to go into supply are presented. At this moment, however, it would not be proper to initiate another budget debate, and it is certainly contrary to our practice not to have a specific grievance raised at this point.

The reason I use the citation is that it refers to a ruling with respect to the then hon. member for Prince Albert, now the Prime Minister. I think that ruling is amply supported by the reference made by the house leader. If there are any other contributions hon. members wish to make, I shall be glad to hear them.

Mr. Chevrier: Speaking on the point of order, Mr. Speaker, may I say this. The citation which has just been referred to by the house leader is one which applies to grievances and which normally follows the vote on the amendment to the motion to go into supply. If one looks at the citation, which is 234 (2), one can come to no other conclusion but that.

The Prime Minister raised a point of order and in doing so referred to the "nonsense" which has been brought forward by the Leader of the Opposition. With respect, I submit to you that the Leader of the Opposition was not dealing with nonsense but rather with the confusion, indecision and lack of

leadership on the part of the government. That was only one subject and one subject alone which up until this time he had dealt with. I submit that up until now he is perfectly in order in the manner in which he has proceeded.

Mr. Diefenbaker: I wish to say just one word. What we want the opposition to do is to show their decision and not to engage in indecision—

Mr. McIlraith: Observe the rules.

Mr. Diefenbaker: —on that which they intend to ask non-confidence.

Mr. Pearson: I think the Prime Minister and the government have made a gallant attempt to limit me in the evidence that I wish to bring forward in order to show that this government is indecisive, confused, bungling and lacking in leadership.

Mr. Diefenbaker: You are proving it by your own testimony.

Mr. Pearson: Mr. Speaker, I wish the Prime Minister would try to contain himself.

Mr. Diefenbaker: Mr. Speaker, I am rising again to a point of order. The hon. gentleman must let us know upon what particular specific matter he is going to ask for a vote of non-confidence. I have mentioned this matter more than once and I want a ruling on it, Your Honour. I wish to find out which minister is supposed to be here and is going to answer it. A great deal has been said about what is going to be done. A great deal has been said outside the house about what is going to be done, and what kind of motion is going to be moved. Let us know what it is and let us get down to something specific.

Mr. Chevrier: On the point of order, Mr. Speaker, may I say this, and I do so with great respect. I think Your Honour should ask the Prime Minister to observe the rules of this house. Ever since the Leader of the Opposition rose to make his amendment, the Prime Minister has consistently interrupted—

Some hon. Members: Oh, no.

Mr. Chevrier: —first by cross fire from his side of the house and from his seat—

Some hon. Members: Oh, oh.

Mr. Chevrier: —and next by raising points of order which are not points of order at all. He has called on Your Honour to make a ruling, notwithstanding the fact that Your Honour had made quite clear what the position was and had allowed the Leader of the Opposition to go on with his remarks. None the less, the Prime Minister is allowed to make these statements and interruptions although on an earlier occasion he complained very bitterly in this house that he was not given an opportunity to speak. Now he wants to give the same treatment to the Leader of the Opposition. I submit to you, Mr. Speaker, that in the light of the decisions that have been submitted by the hon. member for Inverness-Richmond, Your Honour should rule so that we may have the debate and may learn all about the hesitations, indecisions and contradictions of the government.

Mr. Aiken: On the point of order, Mr. Speaker, may I say this. On March 20, 1961, at page 4137 of *Hansard*, a definite ruling was given to the effect that the opposition, in a motion of this type, cannot cover the whole field; that on a supply motion the opposition is limited to one particular point not previously decided or considered. I sent for the references and they have just arrived. The decision is clear on this particular point.

An hon. Member: Take your time; there is no hurry.

Mr. Aiken: While I am looking up the reference, may I say that this particular decision was made with regard to a completely similar scattergun introduction that was made, and at that time the objection was taken that one subject must be covered and the ruling was made. If I could take the time to find the reference, I could give it, because it was made on that date.

Mr. Knowles: I should like to say a brief word on the point of order. It seems to me that we have had a good deal of confusion in the past few minutes. We have also had something which I think is quite uncalled for, namely a statement by the Prime Minister as to what the Leader of the Opposition must do in his speech.

An hon. Member: If he is going to follow the rules.

Mr. Knowles: Before hon. members make interjections about the rules they might read the rules. At this point, Mr. Speaker, we are dealing with something which is referred to as a motion that keeps alive the ancient doctrine that the redress of grievances can be considered. The Leader of the Opposition was given and has the floor. He is under no compulsion to move any amendment at all if he does not want to. He has said he is going to and I confess I should like it if he would point out fairly soon what it is he is going to tell us. But that is his decision. He has the floor by the rules, not by the grace of the Prime Minister. His time is unlimited and, as I say, if he wishes to use

all of his time and move no amendment he is at liberty to refrain from making any such amendment.

Mr. Churchill: But not to speak on six or seven different subjects.

Mr. Knowles: He certainly may. There is nothing in the rules that says he cannot be scattergunned any more than there is anything in the rules that says that in this house people cannot be scatterbrained. Citation 234, to which partial references have already been made, says in subparagraph 1:

Whenever an order of the day has been read for the house to resolve itself into committee of supply—

And so on.

—it shall be permissible to discuss any public matter within the powers of the federal parliament or to ask for the redress of any grievance.

I suggest that the Leader of the Opposition is perfectly in order in dealing with any grievance he likes if he wishes to do so. When Mr. Speaker Beaudoin was giving his lecture to the then member for Prince Albert, to which Your Honour has referred, he was not telling him he could not introduce all of these various subjects in his speech, but he was telling him that if he did he would not be able to come back to them afterwards.

Paragraph 2, to which I believe the Minister of Veterans Affairs has referred, says that once a subject has been brought up the member must stay on that subject and must not try to go back to it after another subject has been introduced. This paragraph describes the situation either now or after 8.15 tomorrow night when the subject has been identified. Once the Leader of the Opposition has finished and has pinpointed a subject or has moved an amendment, we have then got to stick with that, just the same as will be the case tomorrow night after the vote at 8.15. If a member gets the floor then and opens up a subject, that must be the subject until it is disposed of.

But at this point I submit that the Leader of the Opposition is exercising his right as the first speaker in this debate to raise any grievance he wishes to raise, to make his own decision whether or not he moves an amendment and to make his own decision as to what that amendment is. As far as I can ascertain from his speech thus far, it strikes me that he plans to make a motion suggesting that the government is indecisive, incapable, and that sort of thing. If so, surely it is plain, ordinary logic that he has the right to illustrate either in advance or after he has made the motion, the point he is trying to make.

I submit that there has been a fair amount of confusion about this rule in the comments that have been made and that there has been too much of an attempt to dictate to a member of this house, who happens to be the Leader of the Opposition, what he shall put in his speech.

An hon. Member: Nonsense.

Mr. Aiken: Mr. Speaker, may I now refer to the citation I mentioned—

Some hon. Members: Order.

Mr. Deputy Speaker: Order. The hon. member for Parry Sound-Muskoka.

Mr. Aiken: I wish to refer to page 3134 of *Hansard* for March 20, 1961. In that instance we had reached approximately the same position that we now have in that there were broad, introductory remarks by the Leader of the Opposition and objection was taken. At that time the then Speaker said:

I cannot very well instruct the Leader of the Opposition how to make his speech but I can and I think I should say this. The hon. member's speech thus far has been, I think, too broadly discursive having regard to the previous discussions. If he is laying a foundation for a specific subject I feel he ought to come to it.

Mr. MacEachen: Mr. Speaker, in my earlier remarks I attempted to support my statement that such great latitude was permitted on an amendment of this kind that it was possible for an hon. member to make a speech on transportation, let us say, and then move an amendment on national defence.

Some hon. Members: No.

Mr. MacEachen: In support of this statement I wish to refer Your Honour to page 202 of Beauchesne, citation 241, paragraph 2.

On the motion that the Speaker leave the chair for committee of supply—

That is the motion we are dealing with today.

—a member, before any amendment has been moved, may speak on a certain subject and spend the last minutes or seconds of his time limit in moving an amendment dealing with another subject, but then he cannot take part in the debate on his own amendment.

What I am saying is simply this, that this citation supports the view that when the amendment is moved it then becomes the subject matter before the house and the rule of relevancy is established at that point, but up until the amendment is moved the debate is wide ranging, so wide, indeed, and the limits so broad that one may make a speech on one subject and move an amendment on another.

Mr. Olson: Mr. Speaker, I do not wish to repeat all of the citations that have been referred to, but certainly in my opinion

citation 234, both the first and second paragraphs and, as the hon. member has just mentioned, citation 241, convince me that the Leader of the Opposition has complete freedom to range over as wide an area as he likes until he reaches the point where he moves an amendment. Following that he should confine his remarks to what is contained in the amendment.

Mr. Fleming (Eglinton): Mr. Speaker, these are most extraordinary propositions which are now being advanced to you from the other side of the house, and in my respectful submission they are entirely against the course of decisions from the Chair in this house. This is not the first time this point has been raised in just such circumstances, when the Leader of the Opposition has started out in the opening speech in a debate on a supply motion and has approached the matter by a discussion of many subjects. This is not a repetition of a debate in reply to the speech from the throne. This is not a budget debate. This is a debate under strict rules.

I wish to come directly to the point raised by the hon. member for Inverness-Richmond, for I think he has quite misled himself in his reading of citation of 241 in Beauschesne. The principle is well established, Mr. Speaker, and in my submission it is a principle that is designed to accord fair play and equal treatment to all members of the house. Broadly it is that on such a motion the house deals with and debates one grievance at a time.

You can find many citations on this point in the old days before debate on such motions was limited to two days. We had many cases then where the Chair firmly enforced the rule that no member could introduce a new subject until the debate on the subject immediately under discussion had been concluded. The basis of that rule is that the house deals with one grievance at a time, and the Chair affords to all members of the house the right to speak on that grievance before any hon. member may introduce a different or new grievance.

This point has been raised before, Mr. Speaker. I had occasion to raise it in the last parliament on several occasions with the Leader of the Opposition because he was developing the habit in leading off on supply motions—

Some hon. Members: Order.

Mr. Fleming (Eglinton): —of making these shotgun approaches where he talks about a number of subjects and then finally comes to rest on a particular amendment dealing with some subject. Then everybody else from that point on is limited to a discussion of that particular subject until that amendment is disposed of or until the amendment to the amendment is disposed of.

Now, Mr. Speaker, far from justifying the interpretation put upon it by the hon. member for Inverness-Richmond, citation 241 reads in the diametrically opposite way. The second clause of that citation reads:

> On the motion that the Speaker leave the chair for committee of supply, a member, before any amendment has been moved, may speak on a certain subject—

Not a whole lot of subjects, not cover the waterfront, but he may speak on a certain subject. It is not just any subject: it is a certain subject.

Mr. McIlraith: Read the rest of it.

Mr. Fleming (Eglinton): It is one that is clearly defined, and it is not a situation in which he can rake up all the grievances of which he can think.

Then, the balance of the citation reads, that he may introduce an amendment in the last moments accorded to him dealing with another subject. But, Mr. Speaker, there is nothing there that says he can depart, until he reaches the introduction of the amendment, one iota from that certain subject upon which he commenced to speak. The rule, Mr. Speaker, is crystal clear.

I was the one who took objection in the last parliament on March 31, 1961, when the Speaker made a ruling to which reference was made by the hon. member for Muskoka-Parry Sound. It was on this very point and Mr. Speaker Michener found it necessary on that occasion to tell the Leader of the Opposition that it was not proper to go on discussing a lot of grievances and then come down in the end on some particular one in the amendment. He must speak about a particular grievance. Surely after half an hour of speaking the Leader of the Opposition should have completed his introduction, even affording him most generous latitude in so far as introductory matters are concerned. Surely, the point has been reached where he must now be confined to a certain subject in accordance with the rules.

Mr. Deputy Speaker: I have recognized that there are many opportunities given to this house for unlimited scope in terms of the subject matter of debate. There is the throne speech debate and the budget debate, as well as other occasions. The citations given in Beauchesne are dicta that I might follow, in certain circumstances. I think my case for ruling that the subject matter must be fairly narrowly defined is based on Mr. Speaker Beaudoin's precedent which I cited to the house earlier. This is the ground upon which

I feel that the Leader of the Opposition, particularly in the light of the fact he declared early in his remarks he intended to move an amendment, is almost binding himself to a fairly narrow subject. This is the basis of my ruling, and I so rule.

Mr. Pearson: This is I think, notwithstanding what my hon. friend the Minister of Justice has said, the eleventh or twelfth amendment I have moved to motions to go into supply. This is the first time, Mr. Speaker, that a ruling such as you have made has been applied.

Mr. Fleming (Eglinton): No.

Mr. Pearson: I know the kind of statements I made; I know what I said and I said what I intended to say. The Speaker permitted me to do so. This is also the first time when the government has held me up for 35 minutes in this procedure, which is no doubt the purpose of the operation.

Mr. Fleming (Eglinton): I am rising on a point of order, Mr. Speaker. The Leader of the Opposition has offended the rules of the house by imputing motives. He is suggesting, in effect, that a point of order has been taken for some other reason than the legitimate reason of asking for a ruling of the Chair. He is suggesting that many of those who have spoken from this side of the house have done so because they wished to delay him. I say that under the rules of the house, he has no right to impute motives of that kind.

In the light of what he has just now said, Mr. Speaker, may I refer you to *Hansard* for April 24, 1961, page 3935, where Mr. Speaker Michener, when just such a point was raised, concluded some very pertinent remarks with this observation:

> Therefore, the proper course to follow in raising a grievance in going into supply is for the hon. member, when he starts, to state the grievance at least in terms sufficient to delimit the area of discussion.

Mr. Pearson: Well, Mr. Speaker, whatever may have been the purpose, I did not mention my hon. friend by name. I do not know why he should have felt so guilty that he had to jump to his feet. I did not mention anybody by name. I said, "The purpose of the operation". Surely, it is possible to impute motives to a government if it is not to an individual member of this house. The Minister of Justice might have saved himself that five minute intervention. But whatever the purpose, there is no doubt about the effect.

If I were moving a motion on a specific subject, such as setting up a specific committee, and if that were made clear at the beginning of my statement, then of course I would be expected to speak to that and to produce evidence that bore on the point. There is no doubt about that. The Minister of Justice and others seemed to have confused the moving of an amendment on the motion to go into supply with a grievance which can be raised after that amendment is voted upon. Then the speaker has to base his remarks on a particular point, and that is the only point that can be debated while grievances are being debated. However, I am moving an amendment to the motion, a motion of no confidence in the government.

Now, Mr. Speaker, this motion will be based on the lack of leadership, confusion and indecision of the government in dealing with our problems. Am I to be told by the government that I can only produce one piece of evidence to support that? I propose to stick very strictly to the motion that this government should be condemned because it is indecisive, because it has not shown leadership, because it is confused and undecided. This is my motion, and with your permission, Mr. Speaker, I propose to produce the kind of evidence which will support that kind of motion.

One can do this in two ways, if one likes. The Prime Minister talked about scattergun tactics. I cannot understand why he is worried about a scattergun. It can be done by a bullet, one bullet that goes to the target, I hope. It can be done by a shell which has a lot of pellets, and my shell has more than one pellet. They are all aimed at the target, and it is a big target and easy to hit.

One bit of evidence, Mr. Speaker, to support this general motion of no confidence in the leadership and direction of the government, is the way the government has been handling national defence policy. I bring that forward to support the motion which will be made at the end of my statement, a motion which will condemn the government because it has not shown leadership; it is confused and undecided, not only in respect of national defence but in respect of a lot of other matters. I begin with national defence because it is very much in our minds and because it provides the most graphic and dramatic evidence of confusion, bumbling and indecision we have had in a long time.

There is one way in the field of national defence in which this leadership might have been shown, in which some of this confusion may have been removed, when a decision might have been taken on the basis of the consensus of the House of Commons; that is by setting up a committee of this house on national defence policy. That is one way which a government that was concerned with giving leadership, which was concerned with getting the House of Commons behind it on

this vital matter of life, death and survival, could have given leadership, but what happened?

Over the years when we on this side of the house, supported by the other opposition groups, tried to persuade the government to set up that kind of committee and give that kind of leadership, we were repeatedly turned down. We tried and we have failed. We had hoped that if the government had accepted our proposal on this matter it might have produced, and I think would have produced, non-partisan consideration of such a vital matter. But since February 20, 1959, when I made the first proposal to the house for such a committee, until the other day when the Prime Minister finally turned down my proposal for a national defence committee, we have been balked in our efforts to bring this matter before the House of Commons through a committee.

Mr. Green: May I ask the Leader of the Opposition a question?

Mr. Pearson: Yes, of course.

Mr. Green: Why was it when your party formed the government of the country it declined, year after year, to set up a committee on national defence?

Mr. Pearson: That is a perfectly proper question and I expected it. The answer to that is twofold. In the first place it is quite true that the opposition of that time, including my hon. friend and including the Prime Minister, did their very best to get a defence policy committee set up, and they produced various impressive arguments for such a committee, even at that time when we were not in the confused mess we are now in about national defence. The government of that day, of which I was a member, although it produced a great deal more information before the house than this government has ever produced on national defence, although it encouraged the widest and deepest discussion on the estimates for the Department of National Defence, and although it produced blue books explaining what our national defence policy was, decided that was enough and that a defence committee should not be set up. The hon. gentleman thought that was wrong then. I ask him now, why will he not agree to the very proposition he put forward in those days?

Mr. Green: Now perhaps the Leader of the Opposition will answer the question.

Mr. Pearson: But perhaps my hon. friend will also remember that defence committees have been set up in the past.

Mr. Green: No.

[Mr. Pearson.]

Mr. Pearson: They have indeed been set up on defence.

Mr. Fleming (Eglinton): Not on policy.

Mr. Pearson: Perhaps my hon. friend will remember a few commissions on defence policy set up by Liberal governments. Perhaps my hon. friend will remember that when there was a controversy going on concerning Petawawa the government of the day allowed a commission to investigate that—a royal commission and a committee of the house. Both of these were set up; but now, Mr. Speaker, these hon. gentlemen opposite, who fought so hard for that kind of inquiry in those days, have for five years resisted any attempt to find out anything about national defence policy, through a small committee before which witnesses could be heard and experts called, at a time and in a situation when there is much more confusion and much more difficulty in understanding the policy of the government than there ever was in the days and years before 1957. However there it is; we have not been permitted to investigate this matter in any effective way.

Nevertheless, Mr. Speaker, it is the duty of the opposition to do what it can to find out the facts, to find out the truth about national defence policy, and we shall continue to do our best to do that. Indeed it is all the more necessary now because we have another example of lack of leadership and of confusion and indecision. There have been contradictions, and they are now in the open, between the minister of national defence, the Prime Minister and the Secretary of State for External Affairs. There have been contradictions as to what the facts are between the government of Canada and the government of the United States.

Surely, Mr. Speaker, it would have been possible, with a government that had any idea or sense of leadership and decision, to have avoided a situation where we have this open dispute, or had, between the United States government and the Canadian government on what were the facts of national defence and joint continental defence policy? This is perhaps the most deplorable and most dangerous illustration we have had of lack of leadership and confusion in the five years in which the government has been in office, a confusion and indecision which has led to this situation, where however, wrong it may have been—and it was wrong—it led to the state department of our ally in continental defence issue a statement taking exception to the facts put forward in this house by the Prime Minister of this country.

A government that was conducting our relations with our neighbour in the right way

would never have got us into that position. And now the Prime Minister says the facts are as he stated they were. There is no confusion so far as he is concerned. Everything is fine; the facts were as stated by him. If the facts were as stated by the Prime Minister on this matter in the house, why was it exception was taken to those facts not only by the state department of the United States but by the minister of national defence in the government, up to the point where the minister felt he had to resign? Could there be a more dramatic example of confusion inside the cabinet, which leads to confusion inside parliament, and which leads to confusion inside the country?

Our concern on this side is to get the facts, to find out the truth in these matters before the efforts of the government to conceal all the facts or obscure all the truth will poison the relations between ourselves and our closest neighbour. The most dangerous and damaging result of the indecision, delay and confusion of the government in this field of defence policy is in the deterioration that it has brought about in our relations with our allies in NATO.

When the Prime Minister talks about the desirability of consultation before action is taken by one member of a coalition which affects the others, especially by the United States, we on this side agree with him. We have been talking like that for years. There is no doubt about that; but if the Prime Minister is so sensitive in these matters he should have been more careful than to get up in this house and disclose confidential negotiations, confidential negotiations which are apparently so secret and so important that we cannot find out from this government, as we tried even today, which department of the Canadian government is carrying them on.

This is just another indication of the kind of leadership we have been getting in this parliament and in this country. But now the Prime Minister says, "Well, we don't have to do anything now, notwithstanding the minister of national defence, notwithstanding this controversy regarding the carrying out of the obligations we have undertaken, because the NATO council is going to meet in May and we will leave it to the NATO council to advise us what should be done and what changes should be made in our defence policy."

This is just another excuse for delay. As the minister of national defence said, the time has now come to make a decision. The Prime Minister says, "No; no, we won't make a decision because the NATO council is going to meet here in May, and there was a conference in Nassau in December and they talked about these things; so let us wait for a while until we see what the other members of NATO are going to do."

Mr. Diefenbaker: Isn't that what the other countries in NATO are saying?

Mr. Pearson: It certainly is not. Every country in NATO, except Canada, have accepted commitments which they are in a position to try to carry out. They have either accepted commitments which require nuclear warheads on their territory and have made political agreements with the United States for that purpose, even though the nuclear warheads may not have arrived, or they let the NATO council know at the beginning that they were not going to have nuclear warheads. That is not the position the Canadian government—

Mr. Diefenbaker: What about the changes that are taking place in defence, in Turkey and in Italy—

Mr. Pearson: I know all about these changes and I know how the Prime Minister is seizing on these changes as an escape hatch for his own lack of policy. I know perfectly well that in Turkey and in Italy NATO nuclear, intermediate missile bases are now to be abandoned in favour of another form of nuclear tactical deterrent. I know also—and this was made clear by the Prime Minister of the United Kingdom in the House of Commons the other day—that nothing that happened at Nassau, notwithstanding what the Prime Minister said, affects the obligations of Canada inside the coalition at this time; indeed that is what the secretary of state has himself said and repeated in his apologetic statement the other evening.

Mr. Green: Mr. Speaker, may I ask the Leader of the Opposition (Mr. Pearson) a question? Could he explain to the house why he changed his nuclear policy so suddenly?

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): At least he had the courage to state a policy.

Mr. Pearson: I make my statement along the lines of the minister of national defence in the statement put out by him this afternoon. The time had come when somebody had to make a decision—

Some hon. Members: Hear, hear.

Mr. Pearson: —and, Mr. Speaker, if only the government of this country would make some decisions on these matters, if only the government would accept its responsibility in these matters, then we in this house would be able to decide whether we would support or

oppose the government in those decisions. The trouble is that we do not know what to support, because they make no decisions. That is the burden of the letter which the minister of national defence sent to the Prime Minister when he resigned. He said, "The time has come. The 'planes are with the squadrons; the missiles are on the stations. Now is the time to decide whether or not you are going to carry out your obligations". Therefore we have said that the time has come when Canada, committed to these obligations, should honour her word until those obligations are changed—and that is not going to be such an easy job now.

Mr. Speaker, one result of indecision and contradiction in this field of national defence has been to baffle not only our own people but our friends, especially our friends in the United States, with whom this government made these arrangements for the integration of our continental defence; not the previous government.

Mr. Green: Oh, yes, you did.

Mr. Pearson: That is not true. I heard the hon. gentleman say that.

Mr. Green: Oh, yes, you did.

Mr. Pearson: That is not true. It was this government which made the NORAD arrangement. Let this government either follow through on that arrangement or change it.

Mr. Green: Mr. Speaker, could I ask the Leader of the Opposition a question? Does he deny that his government had all the arrangements made for NORAD before it went out of office?

Mr. Pearson: I absolutely and categorically deny it, and I defy the hon. gentleman to prove otherwise.

Some hon. Members: Hear, hear.

An hon. Member: Is there any other question?

Mr. Pearson: Mr. Speaker, it perhaps has no immediate relevance to my argument, but I should like to point out to the hon. gentleman, who has interrupted me twice, that this matter of an integrated continental air defence arose before the election of 1957. The records will show this. It was submitted to the defence committee of the previous cabinet before the election, and the prime minister of that day, who was a man of both responsibility and decision, said, "This is far too important a matter, even if we wished to accept these recommendations, to discuss before an election. We will not even consider them until after the election".

Some hon. Members: Oh, oh.

[Mr. Pearson.]

Mr. Pearson: The minister of national defence made the recommendations. The government did not even consider them. Then after the election—

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Mr. Pearson: There was no consideration given to this matter. Let not the record be falsified by this kind of intervention. Then, Mr. Speaker, after the election there was a cabinet meeting in July, 1957, when this very important joint arrangement was accepted with a minimum of discussion by the present government and it has been in effect ever since. That is the fact and that is the record. If the government wishes to improve its relations with the United States in these matters, let the government tell our friends across the border what they are going to do and what they are not going to do.

Of course, everybody knows—and this has been repeated by hon. members from all parts of the house—it is the first responsibility of a Canadian government to protect the interests of Canada. That is what they are chosen for. Governments used to be able to protect the interests of Canada without continuously quarrelling with our friends. The present government seems to have a genius for getting into trouble with our friends, our best friends.

Now, Mr. Speaker, perhaps we could ask the government whether they intend to manufacture an issue for an election out of the unfortunate and most regrettable faux pas made in Washington, a move for which the secretary of state of the United States apologized, while he claimed that the facts he stated were right. He has invited the government of Canada, if any of the facts were wrong, to correct the facts. Perhaps we will be told in this debate whether any of the facts have been corrected. The indecision of this government, its refusal to make the decisions required for defence, and then seeking spurious excuses to justify its bungling, are responsible for a lot of the trouble the government gets itself into in its relations with other countries. I beg the government on this occasion not to make a political football out of this particular, unhappy incident, and I beg the Prime Minister to remember his own words of September 7, 1957, at Dartmouth college, Hanover, when he said:

> The whole measure of warm friendship which has long existed between the United States and Canada, and the parallel interest of the two countries, enables us to speak to each other with a measure of forthrightness which is permitted to very few countries in the world.

This is the Prime Minister:

> The candour with which we can communicate with each other strengthens our understanding of

each other, and helps us to avoid the pitfalls of misunderstanding which have bedevilled relations of so many other countries in the world.

Mr. Diefenbaker: Not by press notices.

Mr. Pearson: Let us do nothing in this parliament to bedevil our relations with our friends or to create pitfalls or misunderstandings. Let us do our best here to fill up pitfalls of misunderstanding. But, Mr. Speaker, defence is only one illustration of the validity of the motion of no confidence in the government that we are moving. There are others. I think I should mention one or two before I resume my seat. They also illustrate the delay, indecision and confusion of government policies in fields where there should be leadership and decision. I think of unemployment, which is still the most important human problem for the people of Canada. Job security—

Mr. Fleming (Eglinton): Mr. Speaker, I rise on a point of order.

An hon. Member: Again?

Mr. Fleming (Eglinton): Again, yes, because there has been another breach of the rules. Do you understand?

An hon. Member: Read your rule book.

Mr. Fleming (Eglinton): Mr. Speaker, after a very lengthy introduction to his remarks the Leader of the Opposition (Mr. Pearson) has for some time now been dealing with a subject, namely defence policy. It is quite evident now that he is turning to an entirely different subject, namely unemployment, and I submit to you, Mr. Speaker, that in doing so he is violating the rules of this house. He has sought to excuse what he is about to do this afternoon by indicating that at the conclusion of his remarks he is going to introduce an amendment of a quite extraordinary nature. It is the kind of amendment that is obviously designed to permit the Leader of the Opposition, if he succeeds, to reverse the rules of the house and to discuss a number of subjects. It was said by him earlier in his remarks, perhaps when you yourself were not in the chair, Mr. Speaker, that he was seeking to make a grievance of what he said was indecision on the part of the government. So he is proposing, as he says, in dealing with that subject to range over a number of subjects looking, as he says, for examples.

Mr. Speaker, in my submission, if this is the type of amendment he is going to introduce it is not a proper amendment on such a motion, and it cannot be made a cover under any circumstances for a plain violation of the rules of this house, which require that an hon. member—and this applies also to the hon. member who leads off first on the motion—must speak on a certain subject. That is the language of citation 241(2) of Beauchesne's fourth edition; it says "a certain subject". It is plain to be seen that if it is possible to introduce motions of this kind, and then under cover of such motion to talk about any subject, then the Leader of the Opposition does not need to confine himself to two, or three, or four, or five; there is literally no limit to the number of subjects which he can discuss. He will be able to say: "Well, they are additional evidence of a general charge which I am undertaking to prove".

Mr. Speaker, this is a palpable attempt to destroy the rules and to ride rough shod over the rules. I would remind you of the language used by the former speaker in this house on April 24, 1961, at page 3935 of *Hansard*, where the speaker laid down this rule in dealing with just such a situation. He said:

> Therefore, the proper course to follow in raising a grievance in going into supply is for the hon. member, when he starts, to state the grievance at least in terms sufficient to delimit the area of discussion.

This is not the only relevant citation; there is another one which will be found on March 31, 1961. There a similar point was raised; the Leader of the Opposition started out to talk about a number of subjects, and then, having claimed a privilege which is accorded no other member of the house, introduced an amendment which then confined debate.

Mr. Speaker, I close with this observation, that if it is competent to the Leader of the Opposition in leading off on such a motion to introduce a number of subjects, it will in my respectful submission be equally competent to any member of this house who follows him in debate to discuss any or all of those subjects. I am prepared to prophesy, Mr. Speaker, that if the Leader of the Opposition brings in his amendment we would afterwards be told that we must confine ourselves specifically to the amendment. But there will then be on the record statements by the Leader of the Opposition in regard to a variety of subjects.

Now, it seems to me in the light of decisions of the past in such situations and the clearly established practice of the house, that that is not the way a supply debate should be conducted. The whole basis of the supply debate is to deal with one subject at a time, and we exhaust that subject before we proceed to another. In my respectful submission, if the Leader of the Opposition has chosen to discuss defence, and he has been at it now, I think, for about three quarters of an hour, then that is the subject he has chosen. He should bring in his amendment and it is not

then open to him to turn to another subject and open up an entirely new book of debate in the house.

Mr. Chevrier: Mr. Speaker, this is the third time the Minister of Justice (Mr. Fleming) rises on a point of order which is similar to this, and unfortunately for the Minister of Justice he has not stated to the house the facts. I would challenge the Minister of Justice to state that the Leader of the Opposition has dealt with a number of subjects. He has not dealt with a number of subjects; he has dealt with one subject and one subject alone, and that is the indecision and the hesitation of this government. Basing the argument on that assumption, which I submit is the only assumption that is before Your Honour at this time, then no matter how you view either citation 241 or citation 234 it is quite clear that the Leader of the Opposition is in order. Because citation 241(2) refers to the amendment which may be moved or has been moved, and says in effect that the speaker may refer to a certain subject. Citation 234(1) says:

> When such motion is proposed, it shall be permissible to discuss any public matter within the powers of the federal parliament or to ask for the redress of any grievance—

So with respect I say to you that the Leader of the Opposition all along, from the beginning of his introduction of the amendment with which he proposed to deal, indicated quite clearly that he was going to deal with the indecision of the government; and the Minister of Justice has no right in the remarks which he has made to anticipate what the Leader of the Opposition is going to say later on in his speech or in the remarks that he will make before he moves his amendment. Therefore I submit to you with deference, although you, sir, were not in the chair at the time, that thus far the only subject which the Leader of the Opposition has dealt with is the hesitation, the contradiction and the lack of leadership of the government.

Mr. Olson: Mr. Speaker, we are discussing a point of order which I think is similar to one raised a few minutes ago by the Prime Minister (Mr. Diefenbaker). Unfortunately you were not in the chair to hear the arguments on that particular point of order. I hope that I can help you in reaching a decision. Citation 234 of Beauchesne says:

> The ancient doctrine that the redress of grievances should be considered before the grant of supplies is maintained in the House of Commons of Canada—

This is the only premise for this supply motion. There are other citations. Paragraph (2) of citation 234 does in a broad general way indicate that many different subjects can be brought up. Citation 241(2) says:

> On the motion that the Speaker leave the chair for committee of supply, a member, before any amendment has been moved, may speak on a certain subject and spend the last minutes or seconds of his time in moving an amendment dealing with another subject—

and then it goes on to say that debate would be confined to that subject after the amendment has been moved. Mr. Speaker, up to this time the amendment has not been moved, but by and large I think we can take it from what the Leader of the Opposition has said that he is going to move a motion based on confusion, delay and postponement. Up to this time I think it is fair to say that he has only been giving evidence to support his contention that there is confusion, delay, and so forth.

From my limited experience of these supply motions, I believe it has not been the practice to limit the debate to one specific subject and to have that specific subject named at the outset of the speech prior to the moving of the amendment. If there is a subamendment moved then after that subamendment has been moved it is the obligation of the members who wish to speak on it to stick to the subject matter of both amendments; but not prior to their having been moved.

Mr. Speaker: Order. In this question I have examined the various citations which have been given by hon. members. Some have some strength, others have somewhat less strength. But I would say this, that the choice of the subject for an amendment is that of the mover. However, there must be some reason, and there must be some order to debate in this house. If an hon. member, before proposing his amendment, ranges over the whole spectrum and then at the last moment brings in his amendment he thereby, if we are to follow the reasoning suggested, prevents anyone else from discussing all those matters which he may have raised. In deciding as to the rights and obligations of various members this procedure seems to me to be somewhat unfair. In addition to that consideration, it strikes me that the suggested reasoning is contrary to the general practices of this house because he is to be followed by some other hon. member from some other group who may wish to put forward a subamendment and he does not even get a chance to see the amendment until he is almost on his feet. This procedure puts the member following at a serious disadvantage. One must consider the fairness of debate.

Perhaps the Leader of the Opposition has not yet worded his amendment. However, if he has indicated that the burden of his

amendment is going to be a certain field such as that which I think has been indicated, and he gives brief illustrations of it, then I believe we may have an idea of where he is going. But we must not then expect that after he has moved his amendment, anyone will stand up then and say, "Oh, you cannot discuss anything the Leader of the Opposition said, but what is in the amendment." If he said something in debate in leading up to his amendment, then it is as much a subject of discussion afterwards as it was previously. We know that in orderly debate there must be some reasonable control in this regard. With those words from me I think the Leader of the Opposition will govern himself accordingly. This is not the subject for any applause or anything of that kind. I am looking for orderly debate in this house, so let us proceed on that basis and get on with our business.

Mr. Pearson: We all hope there will be orderly debate in this house, Mr. Speaker. However, if the position taken by the Minister of Justice (Mr. Fleming)—and I thank him for his intervention, as it gave me a breathing space—were to be considered a valid one, it would mean that in moving a vote of no confidence against the government because we think it is a bad, indecisive and bungling government, we would be able to produce only one illustration in order to support that charge and nobody following us from the other opposition groups would be able to deal with any other illustration than the one I produced. The Minister of Justice said this will prevent the opposition from answering. But they can deal, as you have just said, with every point I bring forward in an attempt to prove that this government is indecisive, confused and not giving leadership. Surely no limitation will be put on their contribution to this debate. Certainly we on this side of the house would not raise the points of order which have been raised on the other side if they do that.

Mr. Speaker: I think we may leave the point of order and get on with the business.

Mr. Pearson: When I discussed defence, I did not discuss it as an analysis of defence policy. I discussed defence as an illustration of our thesis that this government is confused, fumbling and indecisive. I brought in the subject of defence as an example to show that, as it is one which is very close to us at this time. However, there are others which could be mentioned. I mentioned one other one, namely unemployment.

In 1962 during the election campaign the Prime Minister told us that the unemployment problem would be licked by the middle of 1962. He said it was all over. He said, "Keep the government in office and it will be found that this summer we would have full employment." But we all know what happened; and this bears on the policy and the actions of the government, although it is not, of course, entirely responsible for these matters and we have never made that assertion. But since that statement made by the Prime Minister that unemployment would be licked by the middle of the summer, unemployment has stood at a level of 6 per cent on an annual basis. It is unfortunately rising now. The current issue of the *Financial Times* predicts that unemployment at the winter peak this February or March may total 600,000 or about 9 per cent of the labour force. We on this side of the house assert that the government has not taken quick and effective action that would really do something about this matter.

It was the Prime Minister himself and the government that said, "We are going to put into effect long range economic programs which will put this country on the way to growth and progress again". That is another illustration, and perhaps in some ways it is the most important one we have, to support the charge we make against this government for the way in which it has conducted the affairs of this country since the last election. Where is this long range economic program? Where is the new budget? Why have we not even managed to pass the estimates of the old budget? Why have we not been permitted to discuss the $200 million of taxation which was imposed by order in council? All these things bear on my main thesis that this government has lost the capacity to govern. Surely I am entitled to speak about them.

In order to obscure their own defects and their own defaults, they are now throwing up a smokescreen about obstruction on this side. We are told that this is the reason we cannot have the estimates. Let us just look at the situation with regard to the estimates which we are now discussing on this motion to go into supply. Only two days were allocated to the estimates prior to the election last spring.

Mr. Diefenbaker: How many days were spent on supplementary estimates?

Mr. Pearson: The Prime Minister intervenes again in order to remind me that we were obliged to spend a good deal of time on supplementary estimates because there was no other opportunity of discussing the expenditure of the people's money. Indeed, not one dollar of the main estimates has been discussed and decided in this house, I believe, since September, 1961. That is an example,

if you like, of how not to conduct the nation's business. However, only two days were allocated to the main estimates prior to the election. With that situation facing the government it must have known, if it knew anything, the kind of financial box it was going to get into. With that situation facing it, it decided to let the new members cool off and to call parliament on September 27. That was done. Those weeks were lost.

Mr. Chevrier: More than three months.

Mr. Pearson: Last autumn when we met, we had only one supply day. Only one department was called and that department was withdrawn after two or three days debate during which the Minister of Agriculture took up a good deal of time, and nobody complained about that matter.

Mr. Hamilton: I never spoke once.

Mr. Pearson: With the estimates in that situation and with interim supply developing to the point where the government was not going to be able to carry on for lack of money, the government then decided they would not come back until January 21. And since we have come back, this is the first supply day we have had. What a record that is, Mr. Speaker, of what I might call auto-obstruction.

There are, of course, other indications of inaction and lack of efficient conduct of the nation's business. We were told that certain things were going to be done. Legislation was forecast, some of it even introduced but not acted on, all of it important. I was going to mention that the Columbia river treaty is a shining example, though that is not the right expression, for indecision and confusion. Then there are redistribution, senate reform, contributory old age pensions, the unemployment insurance fund, abolition of closure and the O'Leary report. None of these things have been brought before us.

Mr. Diefenbaker: What about the national development board? Why don't you mention that?

Mr. Pearson: There have been some very useful pieces of legislation passed—the national development board, the Atlantic development board—

Mr. Diefenbaker: You held it up.

Mr. Pearson: Of course when we debate these matters like the national development board we are then told by the Prime Minister that we are holding them up.

Mr. Diefenbaker: You are.

Mr. Pearson: Now, Mr. Speaker—

Mr. Diefenbaker: Just killing time.

Mr. Pearson: —all this means—

An hon. Member: A guilty conscience.

Mr. Pearson: —that the present government has broken down. It has lost the capacity to manage not only the nation's business but parliamentary business, and in order to get itself out of the difficulty in which it finds itself financially, and it will certainly be in difficulty—

Mr. Starr: You are going to make sure.

Mr. Pearson: Well, interim supply ran out on the first or second of February and we have not been approached by the Minister of Finance (Mr. Nowlan) for the eleventh twelfth which will now be required for the next month. This government has so badly managed the affairs of this house, apart from the affairs of the country, that it has broken down, and it conceals its default by shouting "obstruction". There is one way of getting out of this situation and that is to bring this parliament to an end.

Mr. Fleming (Eglinton): Would the Leader of the Opposition permit a question?

Mr. Pearson: Yes.

Mr. Fleming (Eglinton): He has just been speaking about supply—

Mr. McIlraith: He is speaking about indecision.

Mr. Fleming (Eglinton): —and he is now proposing that parliament should be dissolved. How would be propose to meet the problem of interim supply for the next six months if there were an election?

Mr. Pearson: My hon. friend is now Minister of Justice and he used to be minister of finance. He should know something about these matters. Surely he knows that if this parliament is brought to an end by dissolution the government can pay its bills by Governor General's warrants, and the minister is an expert in doing that because he has done it before.

Mr. Fleming (Eglinton): May I take it, then, that that is the proposal of the Leader of the Opposition?

Mr. Pearson: The minister is a very patient person and if he will wait for a very few moments he will hear the motion I am going to move. I say the record is such—

Mr. Churchill: You are very evasive.

An hon. Member: Indecisive.

Mr. Speaker: Order. While an hon. member may seek to interrupt the Leader of the Opposition in order to ask a question, I think that beyond that we will get along better with fewer interruptions. This applies to both sides of the house.

Mr. Pearson: I am sure it does apply to both sides, but the application has only been noticeable on one side this afternoon. Especially after the events of last week, Mr. Speaker, it is surely our duty on this side to do what we can to bring to an end the most inefficient, confused and indecisive government in our history. I am glad the Prime Minister is taking that down too.

Mr. Diefenbaker: As a matter of fact, I have heard that story for a long time. The hon. gentleman flatters himself.

Mr. Pearson: This is a government which has had no idea of where it was going; and if it had it would have had no idea how to get there; and if it had it would never have been able to make a decision to start moving there. It is a government which has been unable to deal with problems because it has not been able to understand most of them, and where it did understand a problem it was not able to make up its mind what to do about it. It has so mismanaged its affairs that it is now even running out of money. Therefore, Mr. Speaker, this government is ending. It is ending unwept, unhonoured and unsung.

Mr. Diefenbaker: But returned whenever it goes to the country.

Mr. Pearson: The Prime Minister says it will be returned whenever it goes to the country. There is a new definition of an optimist. This government is ending both with a bang and a whimper. The country now has a chance to choose a better government and we hope soon. It should be given a chance to choose a better government. So, Mr. Speaker, surely it is the duty of all members of the opposition in this house to give the people a chance to return what they would consider to be a better government. We can only do that by getting rid of this one, and that can only be done by taking a united stand.

No government has any right to go on sitting on the benches opposite and failing so lamentably, so miserably, to govern. I say to the opposition parties that all of us, I think, have had enough of this manoeuvring, this talk, this dramatic trickery of last Friday while the country's business is in disarray—

Mr. Starr: Listen to who is talking.

Mr. Pearson: —while the nation cries out for action and all we get is confusion and evasion.

Mr. Fleming (Eglinton): And obstruction.

Mr. Pearson: I remember—

Mr. Starr: Mostly obstruction.

Mr. Pearson: —in the House of Commons at Westminster a very dramatic occasion—

Mr. Diefenbaker: We used that against you.

Mr. Pearson: —in 1940—

Mr. Diefenbaker: We used that against you in 1955.

Some hon. Members: Order.

Mr. Pearson: I have said this before, Mr. Speaker, but it is more apposite to this house and government than ever before, and I do not mind repeating it. In 1940 there was a government in office in Great Britain during the darkest days of the war which did not have those qualities of action and decision necessary to face the emergency at that time. We face emergencies and problems in this country at this time. We need a government that will make decisions, face up to these problems and do something about them. I refer to a supporter of the government at Westminster in 1940 who remained a friend of the members of that government and who gave them credit for good will and good intentions. He must have felt very sad in making the kind of speech he had to make, but at that time he said, quoting the immortal words of Cromwell when he went into the Long Parliament:

> You have sat here too long for the little good that you have been doing.

An hon. Member: That is why the people kicked you out in 1957.

Mr. Pearson: That is a very apposite observation, but I can assure hon. members that the hon. gentlemen opposite will never be faced with 22 years of decision.

Then, Mr. Amory went on to quote Cromwell:

> Depart, I say, and let's have done with you. In God's name, go.

In going, Mr. Speaker, they will at least perform one decisive service to the Canadian people. They will give the people a chance to choose a better parliament and a better government. So, I move, seconded by the hon. member for Laurier (Mr. Chevrier):

> That all the words after "that" be deleted and the following substituted therefor:
>
> "this government, because of lack of leadership, the breakdown of unity in the cabinet, and confusion and indecision in dealing with national and international problems, does not have the confidence of the Canadian people."

Alleged Lack of Government Leadership

Mr. R. N. Thompson (Red Deer): Mr. Speaker, we of the Social Credit party have taken the position since the June 18 election that parliament must serve the best interests of Canada and the Canadian people. We announced at the beginning of this session that it was the duty of all members of this parliament from all parties to proceed with this responsibility. This is the reason we were elected to this house. I reject the proposition that the only and prime duty of opposition parties in this house is simply to overthrow the government. To assume this attitude is nothing more or less than irresponsibility.

I am convinced that it is the responsibility of all of us in this house, collectively, and this applies in a particular way in this house of minorities, to give to the government the authority and the money to carry on the necessary administration of the nation's public affairs. We gave it to the government in this parliament, even though they are a minority and this is simply because they are the largest minority. It must, however, be recognized that this policy is, has and was based on the premise that the government would provide clearcut policies and appropriate follow-up of legislation which had been previously passed or would be passed by this parliament. The result has been, in the intervening months, that this parliament, this twenty fifth parliament, has failed in its responsibilities to the people of Canada. You will note that I said "this parliament" because it applies collectively to all of us.

At this point, we are particularly concerned by the events of the past few days, and with the reasons these events have come to pass in the way that they have. The statement of the United States state department, and now the resignation of the minister of national defence are two striking examples, and they result not from the determination of the opposition to overthrow the government but from the confusion, indecision and postponement of policy on the part of the government. They must face up to this responsibility to the Canadian people and to us in this house.

While I am not too experienced in the operations of government, one thing that has been impressed upon me has been the fact that there has been nothing but confusion in the arrangements and in the procedures for carrying out the policies which this government has, if any, and also the indecision and postponement of legislative action.

An election in Canada precipitated at this time by the events of the last three days and carrying an anti-American overtone would be a tragedy to Canada. The United States is our closest neighbour, yes and our closest friend. Only damage could result from an election campaign on this basis. I think that the issue of today's Toronto *Globe and Mail* expresses this situation extremely well in its front page editorial. I quote:

> Events in Ottawa make it apparent that Prime Minister John Diefenbaker is giving serious consideration to dissolving parliament and going to the country in a new election. In the opinion of this newspaper an election at this time would be a disaster. This parliament would leave behind it such a record as would disgrace Canada in the history of parliaments, a record blank of any achievement:

You can read this, and you can hear the same sentiments expressed in every corner of the country. We see that this is not just the idea of a few men and women who sit on the opposition side of this house. I continue:

> An entire year for which none of the estimates covering the nation's business has been approved.
>
> Two sessions without a budget.
>
> Worst of all, no program arising out of that budget to stimulate and stabilize the nation's economic growth, to give us the productivity and competitiveness we must have to survive in changing world markets.
>
> Canada could only suffer serious damage from an immediate election. We have other urgent needs that must take precedence.
>
> The first of these is a clear, comprehensible statement by the government on defence policy, including nuclear arms.

It seems to me that a depressing cloud hangs over this chamber this afternoon as a result of the resignation of the Minister of National Defence. I speak in regard to this with a certain amount of feeling because this hon. member who represents the constituency of Calgary North is practically a hometown boy in my community. In earlier days his farm was only an hour's walk from my family's homestead, and I know he is held in much respect on the basis of the conviction with which he has carried out his responsibilities, except perhaps for his rather infamous talk last Thursday night. Actually I did not expect him so quickly to take the advice I gave him last Thursday evening, but he has found it necessary to resign. Such a decision is not an easy one to take. Certainly it must have been made only in the face of very deep differences of opinion.

As has been stated already this afternoon, our nation needs and expects from us who are members of the house a greater degree of unity and a greater spirit of unitedness in our diversities. I doubt that neither a royal commission nor a federal provincial conference would be much good in trying to work out the problem we have here. It might help if we had a parliamentary committee to study this thing, and it may be that the hon. member for Calgary North (Mr. Harkness) would make a good chairman for it. The thing I am concerned with is simply that we are not facing, in an intelligent and responsible way, the responsibilities we have to the people who elected us here.

Coming back to the editorial in the *Globe and Mail* I read a little further down:

Canada's second need—

That is second to a clear statement on what is the defence policy of the government—

—equally urgent, if not more so—is for a budget that will give some definition to economic policy for at least the next three to five years. Within that time reports from the royal commission on banking and finance and the royal commission on taxation should be available as a basis for more far reaching reforms and long term planning.

These are Canada's needs, and that they be satisfied is essential to the health, possibly the survival of the nation.

Then in conclusion this editorial states:

The government should make an honest statement on defence policy, from which we could move into reasonable negotiations with the United States. The government should press onward with all haste to a budget that will make it possible for us to begin restoring our economic health. To such honesty a loyal opposition might be expected to respond with co-operation.

We ask the Prime Minister to forget politics and an election, and give us leadership.

This is where we stand in the House of Commons at the present time.

Dealing with the confusion and indecision—the rationalizing indecision which I believe it is—it is not good enough that we try to explain something by reason of something that happened in the past. This is a crisis government. We go from crisis to crisis. What we ought to be doing is anticipating what the problem will be ahead and then, before we reach that problem, make a decision as to whether we will go through it, around it or over it, or decide how it is going to be solved.

The former minister of national defence says he favours nuclear arms for Canada's defensive forces both in NATO and NORAD. Does he mean by this that the Prime Minister is against nuclear arms for these Canadian forces? One would assume so, otherwise he would not have quit; but then I would ask the Prime Minister, does the minister of national defence make these commitments, which we are just now finding out, all by himself, or does he make them in agreement with his Prime Minister?

Let us face the facts in this situation. If the government did not know these commitments were being made, then the minister of national defence was away out of order. But he could not have made them without the government knowing them and being in agreement with these decisions. Therefore it is not wrong to assume today, although we have yet to be told by the government, that we are committed to the acquisition of nuclear arms for Canada. It is this kind of bumbling and indecisiveness that produces the confusion that has overtaken the nation.

Alleged Lack of Government Leadership

I think I have a fairly good idea what the people of Canada, at the grassroots level, are talking about and I am convinced that all of the confusion, uneasiness and unrest that has been developing in regard to this particular problem is not just the result of a press that is supposed to be prejudiced against the government, or opposition parties that are trying to undermine the very foundations of confidence of our Canadian people in government.

Our people want to know, and have a right to know, what the policies of the government are. Actually we have a pretty good assumption what these defence policies are because any reasonable persons would not be installing carriers for nuclear warheads if they did not agree, intend and plan to put nuclear warheads on top of them.

This comes to the crux of the difficulty facing us at the present time. The Prime Minister has said there is no confusion; yet we have been told by the government of a foreign power that our defence policies are not clear, and by the very words used in that statement they prove to us we have not been informed of what is actually going on. That is why I say to the government this afternoon that it has failed in its responsibilities to the country and to this house, a house of minorities, which is a peculiar situation. It is a situation with which we are not familiar in Canada, but one which we are perhaps going to have to live with for quite a long time.

We all become confused if we follow what we are told is government policy. The other day a friend of mine said there is not any confusion about the government's policy. He said that if you turn back to a certain page of *Hansard* and find the statement on the Nassau meeting, if you turn over then to the speech of the Prime Minister and put them together, with the speech of the minister of national defence, you will find out what the policy is. Another man said "That is not my responsibility. That is the responsibility of the government or the Prime Minister or the minister concerned, to put it in terms so that we all can understand it." That is why I believe the people of Canada want action at this time, positive action, action based upon clearcut policies with which we do not necessarily have to agree, but at least we should know about. We have appealed—and I think we have been very reasonable in our appeal—to the government to tell us what are their policies. When they tell us they have a program of positive legislation, we want them to lay it out in orderly fashion so that we can get on with it. It is not good enough to bring in a certain piece of legislation which in principle may be right and with which in principle all parties will agree, and for us then

to find in the first debate, shall we say in the resolution stage, that there is some disagreement and then suddenly it is pulled back from out of our grasp, to come back a week, ten days or two weeks later when we have to go over the whole thing again. This is just wasted time and confuses the issue.

It is not good enough, either, to say that the opposition parties have refused to co-operate and have insisted on blocking these procedures, because perhaps the procedure of harmonious and aggressive programming in such a house of minorities is a little different than it was when there were 208 members on the government side of the house. It is in this situation that I think the government have failed completely to recognize their responsibility and opportunity. Again I come back to the question of the minority situation in this house. The position of Canada today, as far as our party structure is concerned, is not that of a two-party system. It is a multi-party system and we are going to have to face it and understand it for quite a long time to come, simply because the two old line parties, no matter on what side of the house they sit, have played politics too long with the operations of our government. It is not enough for the Prime Minister to rise and speak on defence or any other topic and spend 95 per cent of his time tirading against the Leader of the Opposition. We need something positive and aggressive. Likewise, it is not the responsibility of the leader of the official opposition to rise and think he is accomplishing and fulfilling his purpose by simply returning that tirade to the Prime Minister. This is the very thing that is destroying the confidence of the Canadian people in a traditional two-party system. Let us just remember that the basis upon which we have operated for so long and so smugly does not necessarily reflect the over-all opinion of Canadians. It is here where we in this house, again, have failed to meet our responsibilities.

Now let us look objectively for a few moments at the situation in which we are placed. The easiest way out of this problem would be to have an election. As I see day after day what is happening here I almost reach the conclusion inside myself that this is the only way in which we can get out of the present situation. But then I study the situation, look at it and ask myself, would an election solve anything?

Some hon. Members: Yes.

Mr. Thompson: I do not believe the people of Canada are today ready to make up their minds with sufficient unanimity to give us a majority government. I believe we would find ourselves just prolonging the dilemma we are in and, while doing so, would again threaten the very foundations of our present economy and its orderly functioning. If we could only know what foreigners outside Canada are today saying about Canada as a result of the bungling over our defence problem, as a result of the lack of progress we have made in this house, perhaps some of us would be a little more determined to get on with the job that is before us instead of just thinking we can change things by having an election. My mother used to say to me when I was a boy, "You cannot get away from the devil just by running away from him".

Mr. Fleming (Eglinton): The Leader of the Opposition tries.

Mr. Thompson: Therefore I think we must face up to the situation we are in and try to come up with a decision.

Mr. Byrne: Safe, again, for a week.

Mr. Thompson: We must try to come up with a decision that will prove to the people that we do have some sense of responsibility left.

Mr. Hellyer: You cannot get rid of the devil by holding on to his hand either.

Mr. Thompson: Mr. Speaker, it is one thing to make remarks in this house and think we are pretty smart in making them; it is another thing to convince the people that we have any smartness left in us.

Some hon. Members: Hear, hear.

Mr. Thompson: Therefore as we consider the position we are in, in light of what an election at this time might bring about, we find we have two alternatives. We can either say to the government, "You have a chance to go ahead and do something. You have not taken that chance before", or else we can say to the government, "You have had sufficient opportunity, and because you have failed to fulfil your responsibility in that opportunity the only result can be an election at this time". In considering all that has happened during these last few tense days, we in this party continue to stand on our previous policy, which we stated clearly last Wednesday. That is, to go along with a reasonable discussion and debate on the supply motions that are yet to come and on the estimates which are yet to be brought forward, for the simple reason that this money has been spent, for the simple reason that we had nothing to do with the budget in the first place. Yes, and for the basic reason

that we can get on with something that is definite, something that concerns the future of the country instead of the past.

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

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Thompson: Mr. Speaker, before we adjourned at six o'clock I had stated why we believe that an election at this time is not really a good thing. I will not repeat the reasons for that belief, but I would say this. We have waited for a long time for the government really to get moving in providing the necessary legislative action to meet the needs of our country at this time. We have had a number of resolutions which have not been acted upon. We have much legislation from previous parliaments that we have heard talked about in the speech from the throne, and on different occasions, but we see no program that is actually going to bring this in at the present time. We have all realized, I think, that our parliament is completely out of tune with the fiscal year of the government's administration. Again, this is why we find ourselves in a position without even an interim supply to meet the needs of the government, and we find ourselves crowding in with much haste the estimates from last year and with supply motions for money which has practically all been spent.

For these and other reasons we have reached the point, that we almost reluctantly, shall we say, believe it would be worse for the country in not going to the people to ascertain their will than it would be to prolong the life of this government which is not fulfilling its responsibilities as it should.

We in our party have done all we can towards assisting the bringing in of this legislation. In fact, we have gone the second and the third mile. Last week we made it very clear both in the press and in private discussion that if we could have assurance that the estimates for the new year could be brought down in two weeks and that the budget could be brought down within a reasonable time, we would support the estimates for last year and also the supply motions. To prove this point, when we heard this morning of the resignation of the defence minister we met in caucus, and at one o'clock or a few minutes prior to one o'clock we issued another statement, and if the government had wanted, they could certainly have met the simple things for which we asked. We believe our request was a reasonable request. I believe that we were elected to parliament to see that Canada gets good government. We are trying to carry out our responsibilities, and this was simply a request along that line. At this moment I should like to read what this statement said:

> Social Credit has taken the position since the June 18 election that parliament must serve the interests of Canada.
>
> The Social Credit party announced at the beginning of this session that it was the duty of all members of parliament from all parties to proceed with their responsibilities.
>
> Those responsibilities are to provide the government with authority and money to carry on the public affairs of the nation, giving the largest minority the opportunity to govern. We have continuously followed this policy until this time. It must, however, be recognized that this policy is, and was, based on the premise that the government would provide clearcut statement of policy and an appropriate follow up on legislation which has been passed by this parliament and past parliaments.
>
> We are deeply concerned about the events of the past few days and the reasons that give rise to these events. The statement of the United States state department and the resignation of the minister of national defence are two striking examples resulting from the confusion, indecision and postponement of government policy. This confusion, indecision and postponement are not confined to matters of national defence alone. An election in Canada precipitated by the events of the last three days, with an anti-American overtone, would be a tragedy. The United States is our nearest neighbour and closest friend and only damage could result from an election campaign on this basis.
>
> In considering all that has happened during these last tense days, we would continue to stand on our previous policy which would permit the passage of the necessary supply motions and last year's estimates in order that the new estimates and the current budget could be brought down, if the government would:
>
> **1. Provide a clearcut statement of defence policy.**

This afternoon we heard the resignation of the minister of national defence, but no explanation whatsoever from the Prime Minister of what the policy of the government was, now that the minister of defence had resigned for the reasons he so clearly stated. We also asked that the government agree to bring in the new estimates within two weeks. That is a reasonable request. Third, we also asked that the new budget be brought down within four weeks and that there would be an opportunity for a full budget debate assured. We asked, in the fourth instance, that the government outline a positive program of follow-up action respecting many things for which parliament has already given authority.

We did not intend to issue an ultimatum. We merely stated these points believing that they were reasonable, and were things that the government was expected to deal with not only by this house but also by the people of Canada. In spite of that last minute appeal

asking, begging, pleading that the government fulfil the vacuum that has been created because they have not done these things previously, we had no action. We have therefore come to the conclusion that if this is the best the government can give us at this time, then it is time that we go to the people about the matter.

I have no confidence whatsoever that the Liberal party has any alternative that would deal with anything in any better way. Taking into consideration the post-war years alone, they had 12 years when there should have been the greatest prosperity in Canada in all our history.

An hon. Member: There was.

Mr. Thompson: In spite of the fact that this was the environment in which they were administering the affairs of this country, they bungled the affairs of the administration of the country so much that the people of Canada were compelled to turn them out.

The reason why we have come to this conclusion at the present time is simply that I believe the people of Canada expect and deserve something better than what we are giving to them in this house at the present time. Therefore, in amendment to the amendment which has been moved by the leader of the official opposition, seconded by the hon. member for Quebec-Montmorency (Mr. Marcoux) I move as follows:

That all the words after "government" be deleted and the following substituted therefor:

"has failed up to this time to give a clear statement of policy respecting Canada's national defence, and has failed to organize the business of the house so that the 1963-64 estimates and budget could be introduced, and has failed to outline a positive program of follow-up action respecting many things for which this parliament and previous parliaments have already given authority, and does not have the confidence of the Canadian people.

The amendment would then read as follows:

This government has failed up to this time to give a clear statement of policy respecting Canada's national defence, and has failed to organize the business of the house so that the 1963-64 estimates and budget could be introduced, and has failed to outline a positive program of follow-up action respecting many things for which this parliament and previous parliaments have already given authority, and does not have the confidence of the Canadian people.

It is not my intention, Mr. Speaker, to prolong this debate on our part except to say that we sincerely regret that we have not been able to give leadership to the administration of the public affairs of this country in a better way. It is not sufficient that we just try to build each other up by knocking each other down. What we must have is a positive, constructive approach to our problems. Let us remember that a wrong decision is probably not as bad as no decision at all.

[Mr. Thompson.]

What we shall be accused of in this house of minorities in this twenty fifth parliament, as I believe history will record it, is that we were unable to come to decisions that would transform policies into action. Therefore we have failed the electorate who put us here.

I believe that the only way in which we can possibly correct this situation is to go back to the people and ask them for a new mandate, trusting that they will have seen the folly in both of the old parties. The awakening realization that Canada in these changing times needs to reaffirm her stand on the basic elements of democracy, needs to come to grips with the application of those principles on which I believe we in this house all agree. It means to adapt our methods so that they will fit the conditions so that that which we are able to produce, whether it be goods or services, in whatever realm or whatever kind we think of, is available to the Canadian people according to their willingness to work, their enterprise and their pioneering spirit.

While I say I am disappointed with this house of minorities in this twenty fifth parliament, I have much conviction, hope, and assurance with regard to the Canadian people. I believe that Canada is a great nation and that, without exception, Canada has one of the greatest peoples in the world. We have heard words this afternoon about the great heritages that have been carried into confederation and passed on to us today through the mother races which came together in confederation. On top of that there has been added the cultural heritage and the pioneering spirit and the determination of millions of new Canadians to live as free men. I think we can set an example to the world if only we had a government that gave leadership that would lead us forward during the next four years and prove to the world that people can live together and move forward in the development not only of its human but its material resources. It was this confidence and this assurance that gave me the spirit and the will to go forward to try to make some contribution to the public affairs of our nation and of this world. If the experiment which is Canada should fail, what hope is there for peace and the peaceful development of the world? I maintain that there is none. Therefore as we stand at this critical threshold in the history of our nation and in our responsibilities to this parliament, I believe that each one of us must look upon these things mighty carefully and realize our responsibility as leaders. We are leaders in Canada.

Mr. Speaker: Order. I regret interrupting the hon. member but I must inform him that the clock has imposed sanctions.

Mr. Thompson: If I may, I will just finish this sentence.

An hon. Member: Carry on.

Mr. Thompson: The very fact that thousands of people elected us, sent each one of us here, indicates to me that we are leaders. Therefore we must go out and prove to Canada that we are leaders worthy of the confidence they have placed in us, that we might carry out our part in the ever increasing and important role of public administration as it relates to the over-all picture. We have therefore come to this decision which I have now made clear, namely that our only alternative is to go back to the people for an expression of their will.

Mr. David Lewis (York South): Mr. Speaker, I felt that the hon. member for Red Deer (Mr. Thompson) said some things with which I cannot help but agree. He said that Canada is a great nation and that we are one of the greatest peoples on earth. Since that, I assume, includes me, I feel flattered by his words and agree with him. It is the kind of peroration which is bound to get unanimous agreement. I might also say, Mr. Speaker, before becoming more serious, that the hon. member does not cease to astound me. When he read almost the whole of the editorial on the front page of the *Globe and Mail* before dinner it was obvious that he was going to be against an election taking place now. He then went to dinner and whether he ate something that agreed with him or ate something that disagreed with him—

Some hon. Members: Oh, oh.

Mr. Lewis: —I am not sure which, Mr. Speaker—he changed his mind, as he has a right to do. I merely mention it as a matter of amusement on this day of debate, which may be one of the last days of debate in this parliament.

An hon. Member: Be serious.

Mr. Lewis: I will be serious in a moment—not only serious, may I inform my hon. friend, but relevant to the issues that face Canada and the world, instead of the nonsense that we hear from across the way.

On a number of occasions we of the New Democratic party have indicated to the house and to the people that we have no confidence in the government. I do not think there is anyone here or elsewhere in any doubt about that. But I ask you, sir, to look at the omnibus amendment moved by the Leader of the Opposition (Mr. Pearson) and, indeed, at the omnibus subamendment moved by the leader of the Social Credit party. I suggest to you that this is further evidence that the Liberals are so hungry for power they are not concerned with dealing with any specific matter that this house ought to be considering and on which this house ought to be asked to declare its mind. I will come to that specific matter in particular a little later. It also proves, I suggest to you, Mr. Speaker, that the leader of the Social Credit party is so concerned with portraying an image to this house and to the country that he was not able, either, to place before the house some specific and concrete issue on which our votes should be cast.

An hon. Member: Oh, come off it.

Mr. Lewis: Why not a specific point? Why not have some specific policy? Unfortunately it is not possible for me on behalf of the New Democratic party to move an amendment embodying such a specific policy. Why not some specific policy on which we can declare our stand? As the Leader of the Opposition was speaking I could not help but notice with what glee, as well as a broad smile, he stated that his objective is to get this parliament home and this government out, and with what tremendous joy his followers behind him banged their desks, as if to get rid of this or any other particular government is the be-all and end-all of the exercises in this parliament and of the duties of members of parliament.

I have voted against this government and no doubt I shall have the opportunity to do so again. My party will greet any chance to go to the people and present our policies with the same satisfaction that we have always had in the past.

An hon. Member: Self-satisfaction.

Mr. Lewis: If we have the chance we will put before them what in our conscience we believe Canada and the Canadian people require, and if my hon. friend will wait he will see exactly what we will do with the chance when the time comes.

I suggest it is not enough for the benches opposite the treasury benches to talk in generalities about leadership and to talk in generalities about the indecision of the government. The party that is now the official opposition to the government was in power for 22 years and particularly from 1948 and 1949 to 1957, when the Leader of the Opposition was one of the most prominent members of the government then in power, we had the most do-nothing government in the history of Canada. This was the government which when faced with the needs of the elderly people of Canada, when faced with the duty to do something for those who had offered their lives for this country, felt itself satisfied,

in a day of such prosperity that they still boast about it, to give them $6 a month. These people, Mr. Speaker, talk to this parliament and to the country about leadership, decisiveness, imagination and boldness; people who have shown throughout the years such adherence to the shibboleths and the blindness of the establishment in the present society; as to have condemned themselves as incapable of leadership before or now or in the future.

What is that leadership about which the Leader of the Opposition talks? Everyone in this house knows that an election is bound to come. It is bound to come within days or within weeks. Everybody in this country knows that, and now that the leader of the Social Credit party has had dinner it may come within days rather than within weeks. Everybody in Canada knows that; everybody in Canada understands that; but what in my experience the people of Canada do not understand is the timid manoeuvring of the government in the last while to avoid defeat at any cost instead of presenting to parliament and to the people a program on which they would be prepared to go down, if go down they must, having made some real attempt to serve this country.

What the people also do not understand is the Liberals' indecent haste to scramble over to the treasury benches, not on any positive program which they present but on the growing disgust of the Canadian people with the inaction and indecision of the government.

Mr. Pickersgill: Mr. Speaker, I wonder whether the hon. gentleman would permit me to ask a question?

Some hon. Members: Sit down.

Mr. Pickersgill: Why is the hon. gentleman so sure that the Liberal party will win the election?

Mr. Lewis: Mr. Speaker, if I may be permitted a personal remark about a gentleman for whose friendship I have great regard—and I hope it continues—I have learned since being a member of this house that the hon. member for Bonavista-Twillingate (Mr. Pickersgill) would rather make some kind of political remark, relevant or irrelevant, than discuss anything of value or of substance, and the temptation to make political remarks is typical of his questions. Not only am I not sure that the Liberals will win the next election, I am confident the Liberals will not win the next election. The sad fact of the present Canadian political situation is that the people of Canada from coast to coast—

Mr. Deputy Speaker: Order. Will the hon. member yield the floor to an hon. lady?

Mr. Lewis: What else can I do in view of your question, Mr. Speaker?

Miss LaMarsh: Mr. Speaker, I wish to inquire of the hon. member if he is sufficiently confident the Liberals will not win the next election to put it to the test tomorrow night by voting against the government and for the amendment.

Mr. Lewis: There is another remark, Mr. Speaker, that so completely proves one of the points I am trying to make, that the hunger of that bench to become this bench overrides every other consideration. It reminds me, Mr. Speaker, of nothing more than what I read in 1958 about the way the Leader of the Opposition simply said to the Prime Minister, "Please move over; I want to take your place."

I suggest to this house that there is one issue which has emerged in the last few days which has become the most important one in Canada, indeed the most important one which Canadians will ever face. I suggest to you that above all people the Leader of the Opposition, who made a definite statement on the policy of nuclear weapons the other day —I am referring to the first one, before he retraced and retracted—as a man of great experience and great accomplishment in the field of international relations, should have placed before this house clearly the question of nuclear weapons so that we would tell the government what the majority of us believes in connection with this matter of life and death. He should have placed that before this house, instead of the general gaff about the breakdown of unity in the cabinet and lack of leadership, or the general gaff of the hon. member for Red Deer (Mr. Thompson) about a clear policy—

Mr. Thompson: Defence policy, say it.

Mr. Lewis: —defence policy being required. I am going to show the hon. gentleman in five minutes, if he will give me a chance, that there is no doubt about the government's policy on nuclear weapons. If he followed the speeches in this house, if he bothered to read the letter of the minister who resigned this morning and the reply of the Prime Minister, he would know that, too.

Mr. Thompson: Somebody else interpreting policy.

Mr. Lewis: I am not interpreting policy, I am just reading the policy given out and I commend to the hon. member for Red Deer to do the same. It would help him, to read some of these things.

We, of the New Democratic party, do not for one moment hide our anxiety, our concern, our deep-seated worry about the question of nuclear weapons in the world. We believe that is the most important issue facing Canada today.

Mr. Gregoire: After unemployment.

Mr. Lewis: Not after unemployment, I say to the hon. member for Lapointe (Mr. Gregoire), because there will be no chance for employment or unemployment if some people in this world get the opportunity to let loose some nuclear missiles. The question for mankind, whether or not questions on international affairs are such as to get votes, is the problem of nuclear weapons. I would have preferred and my colleagues would have preferred if this house had before it a clear-cut amendment which said, "In our view, we reject the idea of nuclear weapons".

I suggest to you, Mr. Speaker, one need not be an expert in military affairs to know that nuclear war is not the kind of war about which histories have been written in the past. Nuclear war is annihilation. We are talking about total destruction when we talk about nuclear war. I suggest—and you may call it an emotional issue if you like—this fact about nuclear war meaning total destruction, total annihilation, must be seared into our minds and into our hearts when we discuss international questions today.

I suggest to you also that one need not be an expert in military affairs to know that there is no defence in nuclear war; that there is no defence against nuclear missiles; that there is only the possibility of massive retaliation. There is only the possibility of saying to the other side, to put it in simple, every-day language, "If I go, I will take you with me." This is all the defence there is in the threat of nuclear war.

President Kennedy has said this. Premier Khrushchev has stated it. Our Prime Minister has repeated it. The Leader of the Opposition has said it. I urge this parliament, it is time we based our policies on that fact, that there is no defence against nuclear war. The fearful nightmare of a nuclear deterrent gives us some time—I do not know how long, no one knows—to find a policy that will lead an anxious world to peace. What can Canada's contribution be in that respect? It should be, in our view, a non-nuclear role in the western alliance, staying in NATO and giving our best to those with whom we are allied in this world. It will not do for any member in this house, as the hon. member for Essex East (Mr. Martin) did the other night, to shout across, "You do not believe in NATO", and think that thereby he has switched the issue from nuclear weapons to NATO. His statement was not true. The hon. member for Burnaby-Coquitlam (Mr. Douglas), my leader, made that clear the other day in answer to a question from, I think, the hon. member for St. Paul's (Mr. Wahn). He said, and I repeat for our party, that we want Canada to remain a part of NATO, to remain a part of the western alliance and to make its best contribution in that alliance, a contribution with conventional forces.

Our reasons for that, Mr. Speaker, were stated by the Prime Minister the other day when he said, as reported on page 3129 of *Hansard*:

> More and more the nuclear deterrent is becoming of such a nature that more nuclear arms will add nothing material to our defences.

The Prime Minister quoted the Leader of the Opposition as having said precisely the same thing on many occasions. I quote from the bottom of page 3133 of *Hansard* and the top of 3134 where the Prime Minister is referring to the Leader of the Opposition as having been reported in the Ottawa *Journal* of January 10, 1961 as follows:

> Any extension of the possession of nuclear weapons under individual national control will greatly increase the danger of accidental outbreak of nuclear war and also the difficulty of achieving disarmament.

The Leader of the Opposition was reported as having said this and the report continued:

> Membership in the nuclear club, therefore, should not be extended beyond the four countries which now possess such weapons ... Canada cannot deny nuclear weapons to other nations and at the same time arm her own forces with them.

Then the report went on to say, according to the Prime Minister as reported on page 3134 of *Hansard*:

> A new Liberal government, therefore, should not acquire, manufacture or use such weapons under separate Canadian control or under joint United States-Canadian control.

I am not quoting that for the same purpose as the Prime Minister; I am not throwing it back at the Leader of the Opposition to show he changed his mind. He had as much right to change his mind as the hon. member for Red Deer had to change his. I am quoting that to ask, Mr. Speaker, what has happened since January, 1961? The only thing that I know has happened since January, 1961, is that every military expert in the United States, including the secretary of state, the secretary of defence and the assistant secretaries of those departments have come to the conclusion that nuclear tactical weapons in NATO, in Europe, are now much more useless and dangerous. Those are the words used by Henry Kissinger. They can serve no useful purpose.

That is all that has happened. What has happened since January 1961, is that the Soviet union has shown a little bit of flexibility with regard to inspection of nuclear disarmament and that the major powers are a step nearer to the possibility of a test ban, and perhaps even disarmament of nuclear weapons.

That is what has happened since January 1961, and it should have led the Liberal party and its leader to continue in the policy that he espoused in 1961. Instead of this he has turned that policy upside down.

What reasons does he give? Does he argue that nuclear weapons in Canada would strengthen the western alliance? Does he suggest they would strengthen our deterrent force? Does he say that their acquisition would make Khrushchev and the Soviet union tremble more? No, all he says is that in his view Canada made a commitment, it should therefore now honour its commitment, and as soon as he becomes prime minister he will negotiate Canada out of the commitment it should now honour.

I respectfully submit, Mr. Speaker, that in all my life of political discussion and debate, and in all my life of reading the thoughts of other men I have seldom come across anything so irresponsible, indeed if I might use the term, so puerile—

Some hon. Members: Hear, hear.

Mr. Lewis: —as to suggest to take the serious step of increasing the membership of the nuclear club, in order that the day after you have done so, you can reverse the policy and get out. What nonsense on the part of a man who aspires to become the prime minister of Canada, and who was once secretary of state for external affairs.

The reason for our position, Mr. Speaker, was also stated the other day by the secretary of defence in the United States, Mr. McNamara, as reported in the *Globe and Mail* of January 31. He is reported as having said that tactical nuclear weapons in the hands of NATO allies increase the possibility of a nuclear escalation, once these weapons are used.

These are the reasons why we oppose nuclear weapons in the hands of Canadian forces: it makes no material improvement in our defence position; it makes no material improvement in the defence position of the west. It does not, in effect, strengthen the western deterrent, but it does increase the nuclear club, increases the danger of nuclear war and increases the danger of escalation to total nuclear war if tactical nuclear weapons were used in Europe.

I say that when the state department's statement, which caused such a furore last week, said Canada's acquisition of nuclear weapons would not increase the nuclear club, it was simply talking nonsense, unless the state department of the United States intends to have complete and exclusive control of the nuclear weapons which we place in the hands of our forces. If that were so, then we would not join the nuclear club, nor would we have any independence left. But if the Leader of the Opposition is right when he said that our finger will be on the safety catch while the United States' finger is on the trigger, then the nuclear club is increased because we would have some control over the nuclear weapons. For that reason, and other reasons, it will make our role in disarmament more difficult and this is another ground on which we oppose the acquisition of nuclear weapons for Canada.

It has been suggested in the subamendment before us, and again and again by spokesmen for the Liberals, that the government's policy is not clear. I suggest to the house, with sadness and with sorrow, that the government's policy is only too clear and that it is a policy exactly the same as the policy of the Liberal party, namely, in favour of Canada acquiring nuclear weapons. In that connection I want to put on record most of the letter which was filed this morning by the Prime Minister, the letter of resignation of the former minister of national defence. He says in the second paragraph of that letter:

> During the past two weeks particularly, I have made absolutely clear what I considered the minimum position I could accept, and several times have offered to resign unless it was agreed to.

I ask hon. members to follow the next sentence carefully.

> It has become quite obvious during the last few days that your views and mine as to the course we should pursue for the acquisition of nuclear weapons for our armed forces are not capable of reconciliation, thus it is with a great deal of regret that I now find I must tender my resignation as Minister of National Defence.

Thus, Mr. Speaker, the hon. member did not say that he and the Prime Minister disagreed on the question of acquisition of nuclear weapons. What he said was that he and the Prime Minister could not agree on the course which is to be pursued for the acquisition of nuclear weapons. The Prime Minister, in answering this letter of resignation, very significantly does not correct the statement by the former minister, but simply says in the final paragraph of his letter:

> When I concluded my speech, you shook my hand and expressed your approval. From the position I took in the House of Commons on that day, I have not deviated. Since you approved it then, and since you later made it clear in your speech of January 31st, as reported in *Hansard* at page 3322 and following pages, that you supported my stand, I am at a loss to understand your suggestion now that your views and mine are not in

agreement. We were on January 25th and January 31st. My views have not changed. Between then and Sunday you must have changed yours.

I submit, Mr. Speaker, that if you read the two letters together, as I have put these two paragraphs on record, what you clearly have is a decision by this government to acquire nuclear weapons for Canadian forces. The only difference between the former minister of national defence and the Prime Minister is that the Prime Minister wants to take a little time before he makes that specific and clear statement, as the former minister apparently wanted him to do. It is of no consequence whatsoever whether nuclear weapons are accepted now or three months from now because everyone in the house, including the Prime Minister, well knows that the NATO council meeting next May is not going to decide on NATO nuclear forces. Everyone knows that President de Gaulle of France and several other obstacles have to be removed before the policy President Kennedy has talked about can become at all practical, and that is not likely to happen for a good long time.

I submit that on this issue of nuclear weapons, as on every other issue we have had any experience with, the government—the Conservatives—and the Liberals hold exactly the same policy and make exactly the same proposals to Canada.

I repeat again that this issue of nuclear weapons for Canada, the role Canada will play in international affairs; the role we are playing in NATO as a leading smaller country trying to get some sense into the international cauldron; the role which we can play in drawing around us the uncommitted nations of the world and thereby bring some real pressure to bear on the United States and the Soviet union for a sane policy towards peace; the role which we, as a country that does not have an imperialist background and history, the role which we can play in holding the confidence of all the new nations and developing nations of Africa, Asia and South America; all these constitute the major issue before this parliament and this country.

My sadness, which I have expressed on previous occasions in the house derives from the fact that this question of nuclear weapons, like other pressing issues, gets such cavalier treatment from men of responsibility from one side of the house as well as from the other, from the fact that we are satisfied with making debating points against each other instead of seriously considering a question involving life and death for mankind the world over.

I submit that if this parliament this evening, in its last hours or days, can serve the purpose of declaring itself determined to follow an independent foreign policy for this country, of declaring itself determined to speak its mind no matter whether our friends agree with us or not, of declaring itself determined to lead a crusade, and nothing less, across this world against the threat of a nuclear holocaust; if this parliament in the last few hours or few days of its existence had the courage and vision to do that, it would accomplish more than it could possibly have accomplished trying to deal in the generalities the amendment and the sub-amendment have suggested.

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, the hon. member for York South (Mr. Lewis), who has just preceded me, in an eloquent speech has dealt very boldly with the subject which was uppermost in the minds of the people today. It is rather surprising that this subject was avoided by the Leader of the Opposition (Mr. Pearson) when he had his great opportunity in this session to deal with a subject of major interest.

An hon. Member: He was chicken.

Mr. Churchill: Last week when we were dealing with the business of the house I suggested that the topic he wished to discuss on that occasion might be better dealt with on Monday and Tuesday of this week, when it would be possible to move a motion and reach a conclusion with regard to a very important subject. The Leader of the Opposition on that occasion dodged, as he so frequently does, that issue and although the opportunity came again today, he avoided the issue.

An hon. Member: He hasn't had his orders yet.

Mr. Churchill: The motion that is put before us on this supply motion is one of those omnibus motions which run contrary to the rules which should be applied—

Some hon. Members: Oh, oh.

Mr. Churchill: —on a supply motion, but it has been allowed and consequently we have several subjects before us for discussion. I intend to deal with that portion of the speech of the Leader of the Opposition and the leader of the Social Credit party which dealt with the allegation of confusion and indecision; the allegation of the failure to organize the business of the house, the failure to outline a positive program of follow-up action, and things of that nature.

Mr. Martin (Essex East): What about defence policy?

Mr. Pickersgill: Yes, what about defence policy? It is in the motion.

An hon. Member: Be quiet. He will give you defence policy in a moment.

Mr. Churchill: Defence policy is a subject on which I would welcome debate with the hon. member for Essex East (Mr. Martin).

Mr. Martin (Essex East): That would be a pleasure.

Mr. Churchill: He will perhaps recall that in the days when we were in opposition he did not participate in the defence debates of this house—

Mr. Martin (Essex East): We had a good government in those days.

Some hon. Members: Oh, oh.

Mr. Churchill: —and I doubt very much if he will participate effectively in any debate on defence policy.

Mr. Woolliams: I would think the scandal of Hong Kong would still be around his neck.

Mr. Martin (Essex East): You don't know what is going to be around your neck.

Mr. Churchill: The Leader of the Opposition has accused the government of lack of decision. There is no man in Canada so decisive in indecision as the Leader of the Opposition. I know of no subject which he has debated—and I have listened to him here for 12 years—with regard to which he has not been on both sides of the subject. He tries to give the appearance of boldness. He talks about boldness. It is the boldness of a rabbit. He talks about action, "Let us have action". The action that he shows is action in retreat. That is what happened today; he dodged the issue; he retreated and evaded the topic that he was so keen to discuss the other day. He has suggested that there is confusion and indecision in dealing with the business of the house, and I have been waiting for several sessions to deal with this subject—

Mr. Teillet: That is normal for you.

Some hon. Members: Oh, oh.

Mr. Churchill: This is the first opportunity I have had to deal with the organization of the business of the house, despite the criticisms session after session about the business of the house, and I would suggest to some hon. members opposite that I will publicly expose them if they are not very careful—

Some hon. Members: Oh, oh.

Mr. Churchill: —because if they talk to me—

Some hon. Members: Oh, oh.

[Mr. Martin (Essex East).]

Mr. Churchill: —because if they talk to me about changing the order of business of the house I will indicate to the house the people from the various parties who have come to me and asked me to set aside certain pieces of business because they were going to be away the next day.

Some hon. Members: Shame.

Mr. Churchill: I have accommodated them on almost every occasion, because that is one of the amenities of parliamentary life.

Mr. Crestohl: How very gallant.

Mr. Churchill: Mr. Speaker, it has been suggested to us by the leader of the Social Credit party that there has been a failure in organizing the business of the house. The words of his amendment are:

> —and has failed to organize the business of the house so that the 1963-64 estimates and budget could be introduced.

The Minister of Finance (Mr. Nowlan) has indicated that the estimates for 1963-64 will be introduced very, very soon. He has indicated time and again that the budget for 1963-64 will be brought down earlier than is usual.

Mr. Matheson: What about the estimates for last year?

Mr. Churchill: Surely that would satisfy any hon. member in this house.

Some hon. Members: No.

Mr. Churchill: In the course of his remarks he said that we need really to get moving to provide the necessary legislation. Well, Mr. Speaker, the question of the legislation of the House of Commons is a matter of considerable importance, and in this cover which I hold in my hand is the legislative program of the house for this session, with two or three more bills to come.

Mr. Pearson: Does that include the divorce bills?

Mr. Churchill: The legislative program was outlined in the speech from the throne. The bills following up that program have been introduced in this house, and here they are. They have been waiting for weeks for the house to get on with them.

An hon. Member: Why don't you get on with them?

Mr. Churchill: The opposition has not given us the chance that we would like to have.

Some hon. Members: Oh, oh.

Mr. Churchill: You may laugh now, but you will not laugh by the time I have finished, because I will demonstrate how you have

consumed and wasted the time of the house. I will demonstrate that you have used obstruction to prevent the business of the house being conducted as it should have been conducted. On the order paper right now, if people would look at it, are 30 items which have already been introduced and are waiting there for debate. The bills accompanying them are already in this cover. They have been printed and distributed, with the exception of those which are introduced by way of resolution; that is to say, the money bills that are preceded by a resolution. The suggestion has been made, with regard to the estimates, that we should be further ahead with them. Well, let me point out this. Each year the estimates for the ensuing fiscal year are tabled, supply motions are moved and passed, the estimates are called forward and the house deals with them as the opportunity arises. Last spring the opposition spent 27 days, which is a record in the history in parliament in Canada, dealing with supplementary estimates for the preceding fiscal year.

Some hon. Members: Shame.

Mr. Churchill: They refused to let us get on with the main estimates for the year 1962-63.

Mr. Pickersgill: They were all new programs.

An hon. Member: Irresponsibility.

Mr. Churchill: Complete irresponsibility. In the session which started in September, up to the present time we have had available for discussion in the committee six departments; we have had three of those departments up for consideration—agriculture, external affairs and labour—and not one single estimate of any one of those three departments has been passed by this house.

Mr. Ricard: Not one single item.

Mr. Churchill: No, not one single item. The other day at five o'clock after discussing labour estimates for two full days I asked the committee please to continue and pass item number one.

Mr. Pearson: On unemployment.

Mr. Martin (Essex East): The most important question facing Canada.

Mr. Churchill: I was refused. That is the way the estimates have been handled by the opposition: six departments waiting for consideration for over two months and not one single item passed. Just before Christmas, when I wanted to bring the main estimates in front of the house during the last six days before the Christmas vacation, the opposition saw fit to spend those six days discussing interim supply, when they should have been on the main estimates.

Some hon. Members: Shame.

Mr. Pickersgill: Would the hon. gentleman permit me to ask him a question? Would the hon. gentleman tell us how many estimates were called between July 25 and September 27 when this parliament should have been meeting?

Some hon. Members: Oh, oh.

Mr. Churchill: The hon. member for Bonavista-Twillingate (Mr. Pickersgill) on occasion makes an effective contribution to debate. Tonight he is certainly not at his best.

Mr. Speaker, it has been customary during recent years to have six supply motions. On the first supply motion, six departments are called, on the next five supply motions three departments are called, and so on. Prior to just a few years ago there was no limitation on the number of supply motions; but the rule has been altered and that is the way it stands at the moment. The house is master of its own rules and those rules can be temporarily altered in order to expedite the business of the house. The house can move very quickly if it wants to. Just prior to the Christmas recess I suggested to the house that if it would give unanimous consent we might deal with five small bills which were in front of us.

Mr. Pickersgill: That was suggested by the opposition.

Mr. Churchill: At my prompting.

Mr. Pearson: Look at the record.

Mr. Churchill: The house dealt with these five bills in about an hour and a half's time. The house can move very quickly if it desires. If it does not desire it will drag its feet and obstruct.

An hon. Member: Like the Leader of the Opposition (Mr. Pearson).

Mr. Olson: Would the hon. gentleman permit a question?

Mr. Churchill: Surely.

Mr. Olson: Might I ask him why he did not come to the meeting they asked for to organize the business of the house prior to Christmas, when all the leaders of the opposition parties agreed to come, and it was not called for over a week?

Mr. Churchill: I am glad you reminded me of the meeting which was held among the leaders before Christmas, because the Leader of the Opposition asked today, why did we not reassemble the house earlier in January?

Mr. Pickersgill: Why didn't you?

Alleged Lack of Government Leadership

Mr. Churchill: For the simple reason that the Leader of the Opposition and the leaders of the other parties sitting together agreed that the Christmas recess would run until January 21.

Mr. Pearson: It was your responsibility. Who is running the house?

Mr. Churchill: I should like to consider now the question of interim supply. Interim supply has loomed very largely in the mind of the house recently, and I think the Leader of the Opposition threatened us today—did he not?—with regard to the next interim supply.

Mr. Pearson: Oh, no.

Mr. Churchill: "Wait till Wednesday", he said, "when interim supply is likely to be called, and then you're for it".

Mr. Pearson: Who said that?

An hon. Member: The Leader of the Opposition.

Mr. Churchill: The history of interim supply is simply this. In every session which starts, say, in January or February, interim supply is granted for the month of April, for the month of May, for the month of June, and sometimes running into July. It is granted month by month until the main estimates are past the house. There is nothing unusual about that. That is done and has been done year after year since parliament first met. Normally, 99 per cent of the time, interim supply is passed in about 30 minutes because it is just a grant of money to pay wages and salaries to keep things going until the main estimates can be considered. In an election year, it is a little different. In an election year when the house stands adjourned for two months it has been customary to grant interim supply for a much longer period.

If you want to look at the record and understand the operation of interim supply in the course of an election year, it is a very easy thing to do. I can give you the record of interim supply for four years in which elections were held. In the year 1945 the house assembled in the spring. An election was held in June and the house reassembled in the fall. The same was done in 1949 with an election in June. In 1957 there was an election in June and in 1962 there was an election in June. If you look at the way in which the estimates were handled in those four calendar years you will find that parliament passed interim supply for a nine month period in 1945 before the main estimates were dealt with. In 1945 the opposition was a responsible opposition; it was the Conservative party. In December of that year they dealt with the estimates in co-operation with the government very quickly and passed them in a very short time. In fact, in the last six days of December that year they passed most of the estimates, but they sat long hours late at night past midnight and early in the morning. In 1949 interim supply was granted for eight months. Again there was a responsible opposition, the Conservative party, and that responsible opposition, co-operating with the government of the day, passed the main estimates in the last few days of the session in the fall of that year. They took 15 days to pass the estimates.

I suggest to you that that situation should have prevailed in the year 1962. There was a spring session, then an election in June, and then a fall session. A responsible opposition would have co-operated with the government and passed the main estimates in the fall of 1962.

Mr. Pearson: There was only one supply motion.

Mr. Churchill: But they would not do it. They obstructed and they refused.

Mr. Pearson: Why did you not bring them in?

Mr. Churchill: I have just told you that we brought in six departments in the fall, and not one single item of those departments has yet passed this house. Had there been a responsible opposition—

Mr. Douglas: May I ask the minister how often the departments were called?

An hon. Member: Once.

Mr. Churchill: I am glad the hon. member is interested in this subject. Those six departments were called after the first supply motion.

Mr. Pearson: Once.

Mr. Churchill: The Department of Agriculture was before us for three days. That discussion took place. I mentioned earlier that the estimates would have been up for consideration again except for the fact that the opposition devoted six whole days to interim supply just prior to Christmas, something which could have been passed in 30 minutes.

There is a responsibility resting on all parties in this house. The leader of the Social Credit party mentioned that matter in his address prior to the supper hour. He said there was a responsibility to get the business done. He said there was a responsibility to the people of Canada not to indulge in political by-play but to deal with the business. That responsibility lies largely with the opposition. All the government can do is this. It indicates

its legislative program in the speech from the throne when that speech is presented. Then it brings forward its bills for discussion by the house and I have indicated the number that are on the order paper. It introduces the estimates. However, the time that is spent on legislation and on the estimates is something that is solely within the hands of the opposition.

Mr. Matheson: May I ask the minister if he would not agree that what Canada needs is a better opposition?

Mr. Churchill: May I say this to the hon. member: You will learn if you stay there, and you will be there for a long time. Perhaps the hon. member and his friends will become a responsible opposition with several more years of training, and we are prepared to give it to them.

I have heard from members of this house and I have read in the newspapers that the government should bring down its legislation and that the government should get on with its business. However, the government cannot do more than put the business before this house. The opposition controls the time spent on it.

An hon. Member: Obstruction.

Mr. Hellyer: You should read the rest of that editorial.

Mr. Churchill: If just prior to Christmas the opposition could pass five bills in one and a half hours, why can they not pass the main estimates for this year in, say, 15 days as was done in 1949?

Mr. McIlraith: The government has never submitted them.

Mr. Pearson: You have not brought them in.

Mr. McIlraith: You refused to call the house when you should have called it.

Mr. Crestohl: Six billion dollars.

Mr. Churchill: I want to make one point very clear and I hope the public of Canada will realize it and correct some of the erroneous editorials that appear.

Some hon. Members: Oh, oh.

An hon. Member: Like today's?

Mr. Churchill: The government does not control the length of a session of the House of Commons; it is controlled by the opposition. In the session of 1960-61 the opposition spent 60 days in discussing the main estimates.

Some hon. Members: Shame.

Mr. Churchill: In the session of 1953-54 when we were the official opposition, 30 days sufficed for a discussion of the estimates. That is the difference between a responsible opposition and an irresponsible opposition.

Mr. Robichaud: In those days there were more responsible estimates.

Mr. Crestohl: You will become a responsible opposition.

Mr. Churchill: The responsibility of the House of Commons may be divided into three main sections. The first is the business that is set by the rules. I refer to the fixed debates, including the debate on the speech from the throne, the budget debate, the debate on supply motions and things of that nature set by the rules. We have no control at all over that business. If ten days are allowed by the rules for the speech from the throne, the opposition will use the ten days, unless it is very responsible and cuts the time short. The same thing is true with respect to the budget debate.

Mr. Pearson: We did that.

Mr. Churchill: The second main division is legislation. We bring forward the bills. They are discussed in the house. The third main division is the passing of the estimates or the voting of supply to Her Majesty. These are the three main divisions. Time is allotted among those three divisions. I suggest that there is no control whatsoever in the hands of the government with regard to the time spent on that business of the House of Commons unless, as was done by the Liberal government in 1956, freedom of speech was denied to the House of Commons by the imposition of closure. No one of the three parties in opposition is free from the need for some self-examination with regard to obstructing the business of this house. I would suggest to the New Democratic party that they should look a second time at the 500 divorce bills which are sitting on the order paper. Because of obstruction not one single divorce measure was passed in the year 1962. That is not the government's fault. We bring the business before the house; the opposition determines whether or not it shall be passed.

I suggest that the business of the house has been properly organized. Let me say to the leader of the Social Credit party that when a bill is introduced into the house in the resolution stage, the resolution is passed, first reading is given and the bill is then distributed. You cannot immediately go ahead to a second reading unless there is unanimous consent. Then you have second reading stage, followed by consideration in committee of the whole house, and you cannot immediately have third reading of the bill unless the house gives unanimous consent. Consequently you cannot start with a bill and keep going with it until you end it, because of these changes

that must take place and the postponement of the measure from one day to another. This is done for a definite and good reason, namely so that everybody has an opportunity to study the legislation and so that it will not be rushed through the house with a lack of careful attention. Hence when the question is asked, "Why don't you start with a bill and keep going with it until it is finished?", my answer is that it just cannot be done. The situation is the same with regard to other matters. You cannot have estimates on Monday and Tuesday without a motion to go into supply, unless there is unanimous consent to dispense with it. The rules set these things out. They impose a certain restriction on freedom of action in arranging the order of business. That is why the procedure is sometimes a little bit confusing to people who are new to this institution.

I suggest that the leader of the Social Credit party, in introducing his amendment, has failed to recognize the things that have been done in arranging the order of business of this house. When he suggests there has not been a positive program of follow-up action respecting many things passed in this parliament and earlier parliaments, I suggest that he is overlooking the five and a half year record of the best and most comprehensive legislation ever passed by any government in the history of the country. He is brushing to one side the whole agricultural program that has been put on the statute books and made effective over the years, cash advances for farm stored grain and the stabilization of prices of farm products. He is overlooking the Export Credits Insurance Act under which the amount of money available has been doubled and redoubled in size over the years, all done by legislation to stimulate our export trade. He is overlooking the program of winter works which has done more to afford employment in the wintertime than any program ever devised by any government.

He talks about not following up legislation. What about the vocational training program? Technical schools are being built right across the country to provide training facilities for our young people. He talks about not following up our program. What about the National Housing Act, the tremendous amendments made to that act and the enormous number of houses built year after year in this country? The list of valuable legislation placed on the statute books in the last five and a half years would take me a whole hour to recite and it would be so easy to point out how effective has been the positive action followed as a result of these statutes.

Give us a chance with the legislation this year. The Atlantic development board bill was passed just before Christmas after some debate. The board has been set up. We are waiting to get the national economic development board in operation, but the house has seen fit to spend four days on that bill within the last two weeks. The national economic development board is one of the long range projects for the future. We are prepared to move ahead with it if we are given the opportunity.

So it goes down the line. The legislation that set up the national energy board is another example, and together with the declaration of a national oil policy has brought millions of dollars into this country. The shipping subsidy has stimulated shipyards throughout the country. All of these things are based on legislation. When the leader of the Social Credit party says "why do you not follow up your legislation with positive action" he has forgotten completely the change in the status of living of our old age pensioners, the change for the better with regard to our disability pensioners and those receiving war veterans allowances and the change for the better in our hospitals across the country.

All of these things are founded upon legislation passed by parliament. If parliament will get down to business and pass the legislation we have ready for it there will be further positive action. Last year the War Veterans Allowance Act was amended. There are 50,000 war veterans on farms across this country who are helped by this legislation. The Farm Credit Corporation was set up by legislation just a year or two ago and thousands of farmers are benefiting from it.

I suggest to the hon. member, who takes a very keen interest in the work of parliament, that he examine the legislation that was passed in those other years and the legislation before us now and he will find that positive action has resulted. This government has not been inactive. This government has been active. This government under great leadership has done more for Canada in five and a half years than any preceding government.

Hon. Paul Hellyer (Trinity): Mr. Speaker, for the last 40 minutes the leader of the house has been giving the house the business.

An hon. Member: Let us get it done.

Mr. Hellyer: If he was as good at giving us the business in advance as he is in giving it in arrears we could have our whole year's work done by now and be on our way home. I should like to make two points very clear. First of all, Mr. Speaker, it is the government, not the opposition, which has the responsibility of introducing the work of this House of Commons.

Mr. Starr: It is all introduced.

Mr. Hellyer: It is the government that decides what business has priority.

Mr. Hees: There is the book; look at it.

An hon. Member: Divorce bills.

Mr. Hellyer: The second point I should like to make clear is that the government can introduce a budget in the house any time it wants to do so and I hope it will do so before dissolution. It is not necessary to have completed the estimates for the previous year, as the Prime Minister (Mr. Diefenbaker) has tried to mislead the people of the country into believing.

Some hon. Members: Shame.

Mr. Hellyer: There will be no excuse for not having introduced a budget if there are things in that proposed budget which would be beneficial to the growth and development of this country.

Mr. Hamilton: The greatest growth rate in the world last year.

Mr. Hellyer: So far as the business of the house is concerned, if the government had brought in the supply motions in the fall months and had had the house consider estimates, then the time could have been spent in dealing with estimates instead of being spent on interim supply. The minister would now have no complaint whatsoever if he had been master of his own job and had introduced business into this house in a logical way, the way it should have been. If that had been done the government would now be well on with the estimates, would possibly have them passed and would not find itself hoist on its own petard.

An hon. Member: Who wrote your speech?

Another hon. Member: Twenty seven days on interim supply.

Mr. Hellyer: Mr. Speaker, this is in many respects an historic day. A minister of the crown has resigned due to the bungling and indecision of the government of which he was a member until today.

Mr. McPhillips: Why did Ralston resign?

Mr. Hellyer: The hon. member for Calgary North (Mr. Harkness) is an honourable man. I have no doubt that he exerted all the patience and perseverance he possibly could, but then he was tested to the breaking point and put into an intolerable position by his leader, the Prime Minister of this country. Finally, in desperation and knowing that the government is incapable of decision on the most important issues facing the country at this time, he took the time honoured and honourable course and tendered his resignation. It is really not surprising if one looks back over the history of the bungling in respect of his own department. We were surprised that after the meeting of the NATO council of ministers in December the then minister of national defence made no report to this house. The Secretary of State for External Affairs (Mr. Green) made his report and gave us part of the truth so we would have part of the picture—

Mr. Green: On a point of order, Mr. Speaker—

Mr. Hellyer: —but the then minister of national defence did not report.

The Acting Speaker (Mr. Paul): Order.

Mr. Green: Mr. Speaker, I am sure the hon. member does not want to be unfair. He must know that the former minister of national defence went on tour to visit the troops in the Gaza strip.

Mr. Chevrier: That is not a point of order at all.

Mr. Hellyer: That is exactly the next point I was going to make. Since his tour of the bases in Europe he has given us no report on what he found when he was there. I, personally, thought that this was a very strange affair, and particularly last week when we had a defence debate and there was the best possible opportunity for him to report on Canada's commitments to NATO and the way we are fulfilling them at the present time. The minister and the government defaulted in not reporting to the house on the whole situation as they found it in Paris in December. Well, Mr. Speaker, I should like very briefly to help fill the gap by doing some of the reporting. I am sorry that it is left to the opposition to do what the government should have done, to report on the state of Canada's commitments to NATO and how they are, in fact, at the moment not being carried out.

An hon. Member: What about the Place Pigalle?

Mr. Hellyer: While one parliamentary press reporter was sleeping cozily in his feather bed, some of us spent our time actively engaged in finding out all we possibly could about the military situation. As hon. members know, we had the privilege of visiting our brigade headquarters at Soest, and also one of the wings of our air division. The air officer commanding came to discuss with us the problems of the air division, and we had a very frank and interesting discussion. Following that, we went on to Paris and spent a week there. We were interviewed by the

supreme allied commander of allied forces in Europe. We were briefed by Admiral Smeeton, deputy commander of the Atlantic fleet, by General Calmel deputy chief of staff of supreme allied headquarters. We were given more useful and up to date information on the military situation in NATO, including the Canadian commitment in one week than the Canadian government has given to the people of this country in the last five years. A number of questions have been asked as to what our commitments to NATO are. I realize that this information is presumably classified, but I could never understand why it was, so I am going to take the responsibility tonight of saying what they are.

First of all, Mr. Speaker, we are committed to supplying one division of the army, with one third of it in Europe. The definition of "division" has never been completely agreed upon between Canada and NATO. The NATO definition is two mechanized infantry brigades and one armoured brigade. Our definition is two brigade groups. This is not really a very great difference of opinion in so far as total men and firepower are concerned, and is not very important.

We have agreed, and have maintained for some time in Europe, one brigade group. We have committed one air division which until recently consisted of 12 squadrons representing four wings, two in France and two in Germany. This is now being reduced to eight squadrons in agreement with the NATO council. We have also committed to NATO a number of naval units in the north Atlantic, an aircraft carrier and destroyer escorts. These are made available to the supreme allied commander in the Atlantic when required.

Each of these units, each of these commitments, is assigned a role, a specific job to do. Our brigade group is part of the British army of the Rhine, right in the front line of the defence of the free world, right up next to the line of demarcation between the communist world and our own. This is a section of the front that is not as well reinforced as it should be. One of the most recent suggestions we heard when we were there I should like to repeat for the benefit of the house. It is this: that in respect of the remainder of our commitment in the army, the remainder of our division which is on reserve in Canada, in order to make it effective the heavy equipment and supplies should be stockpiled in Europe where they are readily available. The supreme allied commander said that in his opinion we could not get our reinforcements there in sufficient time in case of an emergency to be of any real use, particularly in those first few critical days when there might be a conventional intervention and when reinforcements would definitely be required.

He has proposed, therefore, and his proposal was adopted at the NATO parliamentary conference, that equipment and supplies for the reserve forces be stockpiled in Europe. I am told by a senior official of the Department of National Defence here that we have been requested to do that. The former minister of national defence said in the house in reply to a question that he had not heard of it. Perhaps this was when the suggestion was coming through official channels. The United States has already undertaken this in respect of its reserves, that is in respect of one division and it proposes to do it for a second.

As an experiment, Mr. Speaker, the United States tried taking one reserve division over to Europe during an exercise last year. They seconded transport aircraft and flew soldiers from the state of Washington and had them on the ground in Frankfurt, Germany in ten and a half hours. This is really a remarkable achievement. It is this type of capacity that the supreme allied commander, now retired, feels is absolutely essential if we are going to have in Europe the strength of forces we really need. This is particularly true in view of the change in strategy in NATO, now referred to as a forward strategy. This means, in effect, that NATO no longer will retire to a prescribed line of defence at the outset of hostilities but will make its best effort to defend every square inch of territory in the free world, including the northern part of Germany, Hamburg and that area.

Well, Mr. Speaker, we are not really doing all we can to make our non-nuclear commitment to NATO effective. Here is a suggestion which would not cost very much. It is urgently recommended by the supreme allied commander, and has not, in fact, been acted upon by the Canadian government. As a matter of fact, it has never been mentioned by the Canadian government and I am sure that most Canadian people have not even heard of it.

The equipment of our brigade group overseas, by and large, was very good. Some of it is getting old, however, and will soon have to be replaced. This is going to involve the expenditure of a considerable amount of money. There were, however, two serious deficiencies. One is an anti-tank missile, which is now on order and the other, which is a very critical deficiency, is an armoured personnel carrier. This is desperately needed because in the exercises last fall the Canadian brigade group found it was unable to go through the fields to operate efficiently against attacking forces which had a tracked capacity, but

was confined in fact to the roads because of its limitation to wheeled vehicles. These are things which should be receiving the attention of this government, which should be discussed in this House of Commons, and upon which we should have recommendations. We should know whether the government supports these suggestions or whether it does not, and whether it intends to put up the money to make the necessary policy effective.

In so far as our air division is concerned, Mr. Speaker, the situation is much more urgent and more dangerous. The government of this country agreed on behalf of Canada in the summer of 1959 to adopt for Canada, for its air division overseas, a strike reconnaissance role. Those of us who were in the house at the time remember the debate. The Liberal party opposed the idea of adopting that role. We thought there were other things which Canada could do which were more suited to our capacity. Notwithstanding that, the government continued with its commitment. Four years have now passed and when we were over there in November we found that the first squadron of planes in Zweibrucken was about to be airborne in the following month, December of last year. We were told all eight squadrons of the planes would be there and in place during the calendar year 1963. We were also told that the first squadron was intended to go on target on May 1, 1963 and that in order to go on target a bilateral agreement would have to be signed with the United States by November 1 last because of the length of time, approximately six months, required for the technical details to be worked out for the equipment to be put in place and for the airmen to be trained.

Well, Mr. Speaker, NATO headquarters in Europe puts a very high priority on that particular project. The infrastructure, as it is called, the runway extensions and the ammunition depots to contain these weapons were being built under top NATO priority. It was being considered by the supreme commander and his associates to be an urgent matter because it was recognized that Canada, at the time we were there in November, was in default. Well, if we were in default then we are that much more in default at the present time.

Let me say something about the question of building up conventional forces in NATO as against the necessity for more tactical capacity. A considerable amount has been said about that, particularly by hon. members of the New Democratic party. When the strategy of massive retaliation began to come into question it became obvious to a number of people, including some military men, that the NATO forces in Europe should have a wider variety of choice, a greater non-nuclear capacity, and so it was espoused in this house and other places that the conventional capacity of those forces should be increased.

General Maxwell Taylor of the United States put this forward in a book called "The Uncertain Trumpet." He is now chairman of the chiefs of staff committee in that country and is one of the closest military advisors to the President in the United States. However, Mr. Speaker, there is no immediate prospect of an adequate non-nuclear force and the necessity for a combined or mixed force remains. This point was made very clear.

Let me review very briefly what the problem is. When NATO was first organized and the Lisbon force goals were set, it was considered we would require something of the order of 90 divisions in Europe equipped with conventional weapons. These goals were never met, for political and economic reasons, and the United States supplemented the existing force by the development of a whole family of nuclear tactical weapons, and during the intervening years these have been the reserve force which has prevented aggression on the continent of Europe. Now a desperate attempt is being made to build up conventional forces to provide a greater choice of response, what they call the doctrine of measured response; but what is important to remember is this, that the 1966 force goals, if they are achieved, will bring into being in Europe a force of something like 30 to 33 divisions, and this is from one third to one half the force necessary to resist all out attack should the enemy decide to move in force across the continent of Europe.

In the meantime it is considered absolutely essential to supplement the conventional forces with tactical nuclear weapons. In this respect the strike reconnaissance role is considered a very important, indeed essential role. It is to seek out fixed and moving targets in enemy territory and to destroy them in the event of hostilities.

The total tactical capacity on the continent of Europe at the present time is less than was planned, and the reason for this is because the people there hoped by now to put into place a number of intermediate range ballistic missiles, but because of lack of agreement among the members of the NATO alliance those are not yet in place. Consequently the demands on the remaining tactical forces are greater than they were ever anticipated to be. Consequently the supreme allied commander is convinced that the contribution that Canada has agreed to make, which is a considerable percentage of the total tactical capacity of the tactical air forces in Europe, must be armed in accordance with the agreement this government made in 1959, advice

of which was given by our ambassador to the NATO council in December of that year.

Mr. Speaker, it was interesting to many of us to note that the first time any mention was ever made in this house of the fact that Canada had had its ambassador advise the NATO council of this commitment was when the Prime Minister spoke in the house on Friday last. I think we are entitled to much greater forthrightness and to a much greater body of intelligent and honest fact on the subject of national defence so that we can come to some intelligent conclusion on it. The government has been less than candid with the house and I for one seriously regret that lack of candor. There are many more things I would like to say about our NATO commitment but time is running out.

Mr. Clancy: Would the hon. member accept a question?

Mr. Hellyer: Yes.

Mr. Clancy: Would you tell me the year and the month the NATO agreement was signed?

Mr. Hellyer: I would ask the hon. member to read the Prime Minister's speech of last Friday when he advised the house that we had accepted the commitment in the summer of 1959 and that our ambassador to NATO had advised the NATO council of that decision. That was during the year 1959.

Last week, Mr. Speaker, we were all surprised and I think disappointed when the United States state department felt it was necessary for them to make a statement correcting some of the information which had been put forward in the House of Commons on Friday last. It was indeed an unprecedented act but one which must be put into perspective; one which was caused by the indecision of the Canadian government and by no one else. Relations between our two countries had sunk to an all time low and the United States must have despaired of the present government ever coming to any decision, one way or the other, in respect to these urgent defence matters. I am sure that this is the same opinion which the Minister of National Defence must have reached in order to take the step which he did this morning.

In his statement the following day, apologizing for the tone of the press release, Mr. Rusk said that the United States would accept any clear decision on the part of the Canadian government. He did not underline the word "clear" when he was speaking, but the message was very clear without his doing that.

An hon. Member: You know.

Mr. Hellyer: I can very well understand the exasperation of the United States government. The Canadian government pressured the United States government into continuing with the Bomarc weapons system at a time when it was under severe attack in this house and in the congress of the United States. It did this in order to save face after the incredibly incompetent manner in which it had handled the cancellation of the Avro Arrow. Much of the confusion and indecision dates from that time.

The Prime Minister in his statement to the house in February, 1959 told us that the Bomarc had to do the same job for which the Avro Arrow had been designed. Well, as most of us know, that press release was written in the Prime Minister's office and not by the chiefs of staff. So was started a continuous problem from which the government has never completely escaped. It started from the date he gave to this house information which was incomprehensible, incomplete and incorrect. The Bomarc was never intended to replace interceptors. It was part of a theory at that time of interception in depth: first the interception fought out over the tundra, then the area defence of the Bomarc line, at that time planned to go right across the continent, and then the spot defence with the Nike-Hercules near the United States missile installations and their greatest urban centres. This was the theory. It was known to every person associated with national defence in this country and in the United States. Yet the Prime Minister in his statement took no cognizance of the military facts and advised the house that the Bomarc was in fact an alternative. Little wonder that the Canadian government had to pressure the United States into carrying on with the program when it was under such heavy fire.

Not only did the United States agree to carry on with the program but they agreed to pay the largest part of the cost. Then when the first missile site is completed, when the installation is all set and ready to go, the missiles are installed and in place, what does the Canadian government do? It does not fulfil its end of the bargain. It gives the United States government the gratuitous back of its hand. That was not a very friendly way to repay kindliness on the part of a nation which was doing its best to co-operate in those very difficult years.

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

Mr. Hellyer: Yes.

Mr. Aiken: I should like to ask the hon. member, in view of what he has just said, if he has changed his mind since he made the

statement on April 4, 1962 that there is no need for us to get into the atomic business at all?

Mr. Pearson: You got us into it.

Mr. Hellyer: Mr. Speaker, as of this date I have changed my mind.

Some hon. Members: Oh, oh.

An hon. Member: What mind?

Mr. Hellyer: I have very good reasons for so doing, the chief one being the incomparable mess this government has got us into with respect to defence matters.

An hon. Member: How?

Mr. Hellyer: I do not know how they could get us into it, but they have; and now there is no honourable way to get out of it other than to live up to our commitments to our allies. The United States government must have wondered at the Prime Minister dragging in the red herring of the Nassau agreement. Any person who knows anything whatsoever about military matters knows that the matters under discussion at Nassau had no immediate effect whatsoever on Canada's commitments. They were just not relevant at all to those things we had undertaken to do. It is most unfortunate that the little bit of defence information we get from the government is not accurate. Is it any wonder that the Canadian people are so confused and bewildered on perhaps this most important of all subjects facing us at the present time? It is incredible indeed, and where the Prime Minister would get that suggestion other than out of his imagination, no one knows; but it must have been a terrible shock to Mr. Macmillan and Mr. Kennedy when they saw it interpreted in that most unorthodox and unrealistic way.

Mr. Churchill: Mr. Speaker, will the hon. member accept a question?

Mr. Hellyer: There is no connection whatsoever between the Nassau agreement and Canada's commitments in respect of tactical weapons in Europe or to our agreement under NORAD to fulfil our end of the bargain and arm the Bomarc.

Mr. Churchill: Will the hon. member accept a question?

Mr. Hellyer: I have just three minutes left and there is something I have to say.

Mr. Churchill: It will only take a minute and a half.

Mr. Hellyer: I will accept it at ten o'clock. There is one thing I should like to correct at this time. That is the suggestion put forward by the hon. member for Calgary North (Mr. Harkness) and the hon. member for York South (Mr. Lewis) that the Leader of the Opposition (Mr. Pearson) intends to fulfil our commitments and then renegotiate the agreement the next day.

Some hon. Members: That is what he said.

Mr. Hellyer: This is absolute nonsense.

Mr. Lewis: That is what he said.

Mr. Pearson: That has never been said.

Mr. Hellyer: Anyone with any common sense whatsoever, and apparently there are a lot of people over there who have not very much—

Mr. Lewis: That is what he said.

Mr. Hellyer: —knows that it is physically impossible to do anything of the sort whatsoever.

Mr. Sevigny: That is exactly what you have said.

Mr. Hellyer: Any new policy which would be agreed on by a new minister in June, for example, and adopted by cabinet in September or October, which could be concurred in by the NATO council in December, would take three or four years to implement in full, and during that time the hundreds of millions of dollars worth of equipment which the government has bought would be worn out in the normal course of events. The effective life of the F-104 is five years. That is what is counted on overseas. The effective life of the Bomarc no one knows. Mr. McNamara has not much more faith in it than I have.

Mr. Sevigny: Mr. Speaker, will the hon. member permit a question?

Some hon. Members: No.

Mr. Hellyer: Mr. Speaker, I want to finish this statement.

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

Some hon. Members: Sit down.

Mr. Hellyer: In my opinion the Bomarc will not be kept in operation for more than a few years.

Some hon. Members: Sit down.

Mr. Speaker: Order. The minister may request leave to ask a question, but if the hon. member chooses to disregard the request, he is at liberty to do so.

Mr. Hellyer: Mr. Speaker, I wish to finish this most important point. The Leader of the Opposition—

Mr. Sevigny: Mr. Speaker—

Some hon. Members: Sit down.

Mr. Hellyer: The Leader of the Opposition is very clear about what he means, and it is this. The commitments which this government has entered into on behalf of the Canadian people will be lived up to and fulfilled. There is no question about that. A new Liberal government will examine the whole—

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Some hon. Members: Ten o'clock.

Mr. Hellyer: —area of defence policy and will adopt a policy becoming—

Some hon. Members: Order.

Mr. Hellyer: —to this country, and then we will put it into effect in a normal, orderly way over three or four years.

Mr. Speaker: Order. It being ten o'clock, this house stands adjourned until 2.30 o'clock tomorrow afternoon.

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

HOUSE OF COMMONS

Tuesday, February 5, 1963

The house met at 2.30 p.m.

PUBLIC ACCOUNTS

Second report of standing committee on public accounts—Mr. Macnaughton.

THE MINISTRY

INQUIRY AS TO FURTHER CHANGES

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Prime Minister whether in view of current reports he contemplates any further changes in the ministry.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not know what the current reports are that have been turned out by the Liberal propaganda factory.

Mr. Pearson: A supplementary question, Mr. Speaker. May I ask the Prime Minister whether he considers the press, radio and television a Liberal propaganda factory?

Some hon. Members: Yes.

Mr. Diefenbaker: Mr. Speaker, I consider the inspiration to be Liberal propaganda.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

Mr. Speaker: Order. In view of the fact that there seems to be an overload on the power system, perhaps we could have more light than heat this afternoon.

Hon. Paul Hellyer (Trinity): I should like to direct a question to the Prime Minister. Can the Prime Minister advise the house if he has named a Minister of National Defence?

Mr. Diefenbaker: When a minister is named, the house will be advised.

[*Later:*]

Hon. Paul Martin (Essex East): Mr. Speaker, because of the public interest may I ask the Prime Minister if it was not communicated to the right hon. gentleman today that a number of his colleagues wished him to vacate the office of Prime Minister—and be replaced by one of his colleagues?

Mr. Diefenbaker: Mr. Speaker, such a communication came to me by radio and, as I said earlier, was part of the Liberal propaganda.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): May I ask a supplementary question of the Prime Minister. Was that information as the result of a meeting which the Prime Minister knows to have taken place this morning in the office of one of his colleague ministers?

Mr. Speaker: Order. I think we are getting into an area of debate on this matter. Also we are coming to a debate in which all these points can be raised.

FINANCE

PAYMENT OF GOVERNMENT BILLS AND SALARIES

On the orders of the day:

Mr. Walter L. Gordon (Davenport): Mr. Speaker, in view of the precarious financial position of the government—

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

Mr. Fleming (Eglinton): Shame on you.

Mr. Speaker: Order. If the hon. member will reflect upon his opening words and try to direct his mind to standing order 39 I think he will see where he is heading.

Mr. Gordon: Mr. Speaker, may I ask the Minister of Finance if he is planning to pay salaries and bills after today under the authority of governor general's warrants?

Hon. George C. Nowlan (Minister of Finance:) Mr. Speaker, if there were any precarious financial position it would have been largely contributed to by the hon. member for Davenport and his party.

Mr. Speaker: Order. I know there is a particular zest for debate in the house today, but perhaps we could reserve that sort of energy and desire for the resumption of the debate on the supply motion. Perhaps we could now have questions and answers more suitable to orders of the day.

Mr. Pickersgill: Mr. Speaker, on a question of privilege affecting all hon. members—

Some hon. Members: Oh, oh.

Inquiries of the Ministry

Mr. Pickersgill: —what more important function has parliament than the voting of supply?

Mr. Speaker: Order. I do not doubt the importance of the function. I am simply querying some of the expressions that have been used.

Mr. Nowlan: We have been telling you that for months.

THE SENATE

INQUIRY AS TO APPOINTMENTS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the Prime Minister if he has made or is considering making today any series of appointments to the other place, or to the judiciary.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, every day is a day for such appointments.

Hon. J. W. Pickersgill (Bonavista-Twillingate): May I ask a supplementary question. Can the Prime Minister say whether any appointments have been approved by His Excellency the Governor General which have not been announced to the public?

Mr. Diefenbaker: Mr. Speaker, I cannot say at the moment if they have not been announced. All the appointments that have been made have received the attention of the Governor General either yesterday or today. I know the hon. gentleman has been in touch with the privy council office regularly—

Some hon. Members: Order.

Mr. Pickersgill: I rise on a question of privilege arising out of the Prime Minister's observation.

Mr. Fulton: Anything wrong with that?

Mr. Pickersgill: Yes, there is, and that is precisely why I am raising a question of privilege. It arises out of the Prime Minister's observation. It is well known to hon. members that two appointments were made to the other place before the last election and kept secret by this government, thus dragging the crown into politics.

Mr. Speaker: Order. That is not a question of privilege which the hon. member is putting forward.

TRANSPORT

ST. LAWRENCE SEAWAY—SUGGESTED COMPULSORY PILOTAGE

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to direct a question to the Minister of Transport. Has he received a request for compulsory pilotage on all ships passing through the St. Lawrence seaway?

Hon. Leon Balcer (Minister of Transport): I have not seen such a request. However, I will investigate and I will be pleased to answer my hon. friend.

Mr. Badanai: May I ask a supplementary question, Mr. Speaker. Does the government intend to take any action about this request?

Mr. Balcer: The government has appointed a royal commission on pilotage which will investigate the whole matter from coast to coast in Canada.

(Translation):

SOULANGES CANAL—TRANSFER TO QUEBEC

On the orders of the day:

Mr. P.-A. Boutin (Dorchester): Mr. Speaker, my question is directed to the Minister of Labour—

Mr. Speaker: I recognized the hon. member for Vaudreuil-Soulanges. He will ask his question and then the hon. member for Dorchester will state his.

Mr. Marcel Bourbonnais (Vaudreuil-Soulanges): Could the Minister of Transport tell the house whether the federal government received an answer from the Quebec provincial government following the order in council passed last year to transfer the Soulanges canal to the Quebec provincial government?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, we did not hear from the provincial government on that matter.

Mr. Speaker: I am very sorry I did not have time to hear that question but surely it should have been placed on the order paper.

(Text):

SECRETARY OF STATE

BRITISH COLUMBIA—REQUEST FOR APPOINTMENT OF RETURNING OFFICERS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I should like to direct to the Prime Minister a question which is of some urgency. Can he advise the house when he is going to fill the four vacancies for returning officers in British Columbia?

Mr. Speaker: Order. This is a question which I think should go on the order paper. It is a matter of detail.

Mr. Winch: Will there be time for the returning officers to be appointed?

Mr. Speaker: The Chair is not aware of any particular urgency.

(Translation):

REQUEST THAT POLITICAL PARTIES BE SHOWN ON ELECTION BALLOTS

On the orders of the day:

Mr. Maurice Cote (Chicoutimi): Mr. Speaker, I have a question for the Secretary of State.

Has the minister made arrangements so that the name of the party be printed next to the candidate's name on the ballots for the next federal election?

Mr. Speaker: Order. I trust the hon. member can look up the section of the Elections Act which governs that point.

(Text):

AGRICULTURE

SUGAR BEETS—REQUEST FOR ANNOUNCEMENT OF 1963 SUPPORT PROGRAM

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): I have a question for the Minister of Agriculture. Can the minister advise the house how soon an announcement concerning the support program for the 1963 crop of sugar beets may be expected?

Mr. Speaker: Order. I think the hon. member should put that question on the order paper.

(Translation):

BUTTER—REPORTED INTENTION TO DISCONTINUE SUBSIDY

On the orders of the day:

Mr. Bernard Dumont (Bellechasse): Mr. Speaker, I should like to direct a question to the Minister of Agriculture, and I hope he will not have to wait three days to give me an answer.

Is there any truth to the press reports which claim that the government plans to abolish the 12-cent a pound consumer subsidy it now pays on butter?

(Text):

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I think the hon. gentleman is falling prey to the custom prevailing today of believing everything appearing in the newspapers.

POWER

COLUMBIA RIVER—INQUIRY AS TO JURISDICTION

On the orders of the day:

Mr. J. A. Byrne (Kootenay East): I should like to direct a question to the Minister of Public Works. This question deals with our natural resources and not our political resources. A member of the provincial legislature of British Columbia has stated that if the—

Some hon. Members: Order.

Mr. Byrne: —question of the Columbia river were in the hands of the provincial government—

Mr. Speaker: Order. The Chair would like to hear the question. The hon. member may preface his question by some identifying remark without going into great length and without quoting someone else.

Mr. Byrne: I should like to ask the Minister of Public Works whether jurisdiction in respect of the Columbia river development comes under the provincial or the federal government.

Hon. E. D. Fulton (Minister of Public Works): I think, Mr. Speaker, you will agree I am being asked to give a legal opinion, and I do not believe it is my function to give a legal opinion any more than it is the function of the Minister of Justice under our rules to give a legal opinion to the house. However, I think it should be clear by now that we have proceeded on the basis that it is a question of divided jurisdiction and that is why we have been working so hard to get a satisfactory agreement with the government of British Columbia which has so far proven impossible to do.

COLUMBIA RIVER—MEETING TO DISCUSS DOWNSTREAM BENEFITS

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): I wish to direct a question to the Secretary of State for External Affairs. Will the minister please tell the house whether any negotiations are going on at the present time, or pending, concerning the sale of Columbia river downstream benefit power in the United States?

Hon. Howard C. Green (Secretary of State for External Affairs): As the hon. member knows, there have been informal discussions on two or three occasions. I do not think any date is set at the moment for the next meeting, but I presume one will be set in due course. Those discussions were at the technical level.

ARTS, LETTERS AND SCIENCES

INVITATIONS TO DOMINION-PROVINCIAL CONFERENCE ON BICULTURALISM

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I would like to ask the right hon. Prime

Minister if he could inform the house whether he has already dispatched invitations to the provincial governments for the federal-provincial conference on biculturalism which he announced the other day?

Right Hon. J. G. Diefenbaker (Prime Minister): Yes, Mr. Speaker.

[*Later:*]

Mr. Lewis: In view of the reply given earlier by the Prime Minister, would the right hon. gentleman be good enough, with the consent of the house, to file a copy of the letter of invitation which he has dispatched to the provinces regarding the conference my earlier question dealt with?

Mr. Diefenbaker: I will do so. I have not the letter with me now.

(Translation):

CANADIAN CENTENNIAL

CHARLOTTETOWN—CONTRACT FOR CONSTRUCTION OF CONFEDERATION BUILDING

On the orders of the day:

Mr. Vincent Drouin (Argenteuil-Deux-Montagnes): Mr. Speaker, I should like to put a question to the Prime Minister. Could he tell the house whether he has received a brief from Mr. Fernand Bibeau, of St. Eustache, in which the latter complains that the contract for the construction of the confederation building was not awarded to the lowest bidder?

Mr. Speaker: I regret to interrupt the hon. member, but he must realize that his question should be put on the order paper.

Mr. Drouin: Mr. Speaker, I wish to raise a point of order. At the beginning of the session, you set forth the rules governing questions put on the orders of the day, and you said at that time that in order to be acceptable, questions should deal with matters of urgent public importance.

Now then, the question I wish to ask was raised in the newspapers recently, and especially in *Le Devoir* where it was said that tenders had been received.

Mr. Speaker: Order. I think the hon. member will recognize that the same kind of question could be asked about such and such a call for tenders in any part of the country. I feel he will understand that it is not essential to get that information at this stage of our proceedings and that he can readily put that important question on the order paper.

Mr. Drouin: Mr. Speaker, I respectfully submit that my question has nothing to do with the tenders themselves.

Mr. Speaker: Order.

(Text):

ADMINISTRATION OF JUSTICE

SONS OF FREEDOM, B.C.—INQUIRY AS TO REQUEST FOR ASSISTANCE

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a serious and non-partisan question to the Minister of Justice. Has the minister received any recent communications from the attorney general of British Columbia seeking this government's co-operation or assistance with respect to a settlement of the difficult Sons of Freedom question?

Hon. Donald M. Fleming (Minister of Justice): No sir.

(Translation):

UNEMPLOYMENT INSURANCE

EXTENSION OF BENEFITS TO WORKERS IN U.S.

On the orders of the day:

Mr. Pierre-Andre Boutin (Dorchester): Mr. Speaker, my question is directed to the Minister of Labour.

Could the minister tell us whether discussions between the Canadian government and the state of Maine concerning the problem of unemployment insurance for lumbermen have taken place, as he announced before Christmas?

(Text):

Hon. Michael Starr (Minister of Labour): Yes, sir. The state of Maine held a meeting of their own, and now they have set up a special committee to investigate the aspect of the problem particularly affecting the state of Maine. We hope that as a result of that meeting we may be able to get together with them and bring about a reciprocal agreement.

(Translation):

CANADIAN BROADCASTING CORPORATION

QUEBEC CITY—ESTABLISHMENT OF FRENCH TELEVISION STATION

On the orders of the day:

Mr. Jean Charles Cantin (Quebec South): Mr. Speaker, I have a question for the Secretary of State.

Could the minister tell the house whether the government intends to comply in the near future with the B.B.G. recommendation for the establishment in Quebec city of a French television station by the C.B.C.?

(Text):

Hon. G. E. Halpenny (Secretary of State): That will be announced in due course, Mr. Speaker.

(Translation):

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

Mr. Speaker: Very well.

Mr. Cantin: Would the minister give the house the reasons for this further delay?

Mr. Speaker: That is not a supplementary question.

(Text):

EXTERNAL AFFAIRS

MEXICO—INVESTIGATION OF CANADIAN CITIZENS BY U.S. BUREAU OF INVESTIGATION

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Have the minister's officials given him any information regarding the reported subjection of Canadian citizens in Mexico to investigation by the United States federal bureau of investigation?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, the department is still investigating complaints which were received from the west coast a few days ago.

TRADE

REQUEST FOR STATEMENT ON U.S. INQUIRY

On the orders of the day:

Mr. John R. Nicholson (Vancouver Centre): Mr. Speaker, I should like to direct a question to the Minister of Forestry. Is the minister in a position to give us an up to date report on the state of affairs and developments in Washington with regard to a move to exclude or put a quota on Canadian forest products being shipped to the United States?

Hon. H. J. Flemming (Minister of Forestry): Mr. Speaker, I cannot give any up to the minute information. This hearing took place some months ago. However, I would be very glad to obtain the latest information on the situation and give it to my hon. friend.

WHEAT—ALLEGED DROP IN EXPORT SALES

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of Agriculture. I hope Your Honour and the minister will recognize the essential difference between this question and the one I asked yesterday, because my question now is specific. I should like to ask the minister whether he could advise the house what specific negotiations are now under way to make up for the decline in wheat sales to date and to sell all the rest of our wheat for this crop year.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I do not think it is the policy of the Canadian wheat board or of the government to divulge what is going on in any type of business negotiations until there is something pretty tangible to announce. I think the point I made yesterday is sufficient, that what we measure our success or failure by are the number of bushels exported. There was a record export in the last two years, and it will be very close to that this year.

WHEAT—INQUIRY AS TO PAYMENT BY CHINA

On the orders of the day:

Hon. Alvin Hamilton (Minister of Agriculture): I have been trying for two or three days to answer a question submitted to me by the hon. member for Rosetown-Biggar. The question was whether the Chinese are still honouring their obligations. The information I have today is as follows: Up to and including December 31, 1962, all payments due on the contract—

Mr. Speaker: Order. I think the minister can do that as well on motions rather than on questions, or in some other way.

(Translation):

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to address a question to the Minister of Agriculture.

Could the minister tell the house what method of payment is used with regard to the wheat sold to communist China?

Mr. Speaker: An attempt was made to answer that question a short while ago, and I rather think that the hon. member's question should be put on the order paper.

(Text):

PUBLIC SERVICE

INQUIRY AS TO APPOINTMENT OF DEFEATED CANDIDATES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Since the date of the last return, which was before Christmas, concerning the appointment by the government of defeated candidates, have there been any further such appointments?

Mr. Speaker: Order. I think that question can very definitely go on the order paper.

Inquiries of the Ministry

AIRPORTS

DORVAL—ACCESS TO TRANS-CANADA HIGHWAY

On the orders of the day:

Mr. Raymond Rock (Jacques Cartier-Lasalle): Mr. Speaker, I should like to direct a question to the Minister of Transport. Following the news item published in the Montreal *Star* yesterday headed "No provision made for airport exit off new boulevard", has the minister's department any plans to provide an exit from the Montreal international airport to the trans-Canada highway?

Mr. Speaker: Order. I think the hon. member will recognize that this question belongs on the order paper, because we have a number of major airports with regard to which the same problem may exist.

FISHERIES

NORTH PACIFIC FISHERIES COMMISSION—INQUIRY AS TO RECOMMENDATIONS

On the orders of the day:

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I wish to ask a question of the Secretary of State for External Affairs. In respect of the international north Pacific fisheries commission, is it true that this question is now lodged with his department, and if so, would he be prepared soon to give the house a statement of policy?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, this question will have to be dealt with by the cabinet.

BRITISH COLUMBIA—PROTECTION OF SALMON RUNS

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): In view of the remarks made earlier by the Minister of Public Works about reaching an accord with the government of British Columbia, I should like to ask the Minister of Fisheries whether he has been able to reach an accord with the government of British Columbia on the matter of protecting salmon runs from the effects of hydro installations on certain rivers.

Hon. J. A. MacLean (Minister of Fisheries): Clarifications by correspondence are proceeding I consider satisfactorily.

REFERENCE TO COMMITTEE OF REPORT OF NORTH PACIFIC COMMISSION

On the orders of the day:

Mr. Frank Howard (Skeena): I wish to pose a question for the Minister of Fisheries with respect to the recommendations of the north Pacific fisheries commission about herring and halibut, and ask whether he has yet made up his mind to refer this question to the marine and fisheries committee before the cabinet or parliament makes any determination about it.

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I have nothing to add further to the answers I have already given to similar questions.

Mr. Howard: I have a supplementary question. Can the minister explain what the result is when he adds nothing to nothing?

Mr. Speaker: Order. I think the hon. member might well reflect upon the answer.

(Translation):

VOCATIONAL TRAINING

QUEBEC—ASSISTANCE IN CONSTRUCTION OF SCHOOLS

On the orders of the day:

Mr. Maurice Rinfret (St. James): Mr. Speaker, I should like to direct a question to the Minister of Labour concerning federal assistance to the construction of technical schools. Following the talks the minister had recently with representatives of the provinces, will the government take immediate steps so that some provinces, and Quebec in particular, may derive more advantages than in the past?

(Text):

Hon. Michael Starr (Minister of Labour): We have received representations from the ministers of education of the provinces asking for one thing, and recently there have been representations from the school trustees, who are as much interested in this matter, asking for another thing, and we have to decide what is best for this country. A decision will be arrived at and made known to the house and to the provinces.

LOTTERIES

FEDERAL ACTION TO LEGALIZE PROVINCIAL LOTTERIES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the Minister of Justice whether the government has given any recent indication to the government of Quebec regarding its views on the legality of a provincial lottery for charitable purposes, or on the government's position concerning making such lotteries legal.

Hon. Donald M. Fleming (Minister of Justice): I have had some correspondence with Premier Lesage. In it, of course, I made no attempt to comment on the legality of such operations. Premier Lesage asked if the

federal government was prepared to sponsor legislation to legalize lotteries conducted by provinces for revenue purposes. The reply I conveyed to him was that the government does not contemplate the introduction of any bill at the present session to amend the Criminal Code.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Murdo Martin (Timmins): I wish to address a question to the Minister of Transport. In view of the report in this morning's *Le Devoir* that the C.N.R. in paid advertisements refers to French as Montreal's second language, would the minister assure the house that he will inform Mr. Gordon that Montreal is the second largest French speaking city in the world?

Mr. Speaker: Order. The hon. member has given the information already.

Mr. Stanley Haidasz (Parkdale): I should like to ask the Prime Minister whether it is true that he intends to appoint to the Senate the former mayor of Toronto, Mr. Nathan Phillips.

Mr. Speaker: Order. I do not think it is competent to ask for confirmation or denial of any rumors.

POST OFFICE DEPARTMENT

COMMEMORATIVE STAMP—NATIONALITY OF SIR CASIMIR GZOWSKI

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Postmaster General to assure the house that Sir Casimir Gzowski, the great Polish patriot who is to be honoured by a commemorative stamp, was of Polish origin and not a citizen of Russia.

Hon. Ellen L. Fairclough (Postmaster General): If my memory serves me correctly, I think no such assertion was made. Having regard for the changes in geography since the date of his birth, I think there might be some confusion as to the actual territory concerned, but no statement was made to that effect as far as I can recall.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Did the hon. lady hear the announcement on the C.B.C. this morning, which stated quite clearly that he was born in Russia?

Mr. Speaker: Order. We are now getting into some little bit of argument here. I think the persons concerned can settle it.

PUBLIC SERVICE

INQUIRY AS TO PAY REVIEW FOR CERTAIN CLASSES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. Is the question of pay increases for messengers and cleaning staff in the House of Commons and for the civil servants not provided for on December 10 still under review, or has a decision been reached?

Hon. George C. Nowlan (Minister of Finance): Mr. Speaker, the matter is under review.

SUPPLY

The house resumed, from Monday, February 4, consideration of the motion of Mr. Nowlan for committee of supply, and the amendment thereto of Mr. Pearson, and the amendment to the amendment of Mr. Thompson.

Hon. Paul Hellyer (Trinity): Mr. Speaker, we in the Liberal opposition are prepared to support the subamendment moved by the hon. member for Red Deer (Mr. Thompson), which expresses in somewhat different words the same lack of confidence expressed in the amendment moved by the Leader of the Opposition. We particularly welcome the opportunity to express the view that the government has failed to give a clear statement of policy respecting Canada's national defence.

Last evening I put on the record some of the factual material relating to our present defence dilemma, which should have been put on the record by the government. The facts demonstrate that the government undertook, without any coercion, certain commitments in the common defence which it now refuses to honour. Furthermore, it attempts to confuse an already complicated subject by introducing irrelevant and misleading information designed to camouflage its bungling and indecision.

The Prime Minister, for example, in referring to the adequacy of the United States strategic deterrent, attempts to give the impression that the Canadian contribution would be an unnecessary supplement. The hon. member for York South even more skilful in his confusion, quotes the Leader of the Opposition as saying that Canada should not contribute to the strategic nuclear deterrent.

Mr. Speaker, no one is suggesting that we should do so. There are three classes of atomic weapons, and these are well known

to most people. They are the strategic, the tactical, and the purely defensive. It is true that in the strategic field there is more than adequate under the control of the United States. But it is equally true that in the opinion of military people in charge of these matters, tactical and strictly defensive nuclear weapons are required both in NATO and in NORAD.

One point that is worth mentioning is this. In fulfilling our commitments to NATO and NORAD—

Mr. Fisher: Mr. Speaker, I rise on a point of order. I should like to inquire of the hon. member whether he is reading from a speech or a text. If he is doing so I should like to draw Your Honour's attention to the point of order.

Some hon. Members: Shame.

Mr. Benidickson: Every time you speak you are literary and read from a text.

Mr. Speaker: This matter of reading is a difficult one. Sometimes there are rather extensive notes and sometimes it is difficult to say whether what is being said has any relation to the notes. However, we will go along, as long as we are not getting into difficulty.

Mr. Hellyer: Mr. Speaker, I shall be glad to send my notes to the hon. member later so that he can use them for the Toronto *Telegram*. In the meantime let me say to him that last night in this house I made a 30 minute speech without any notes whatsoever, and that is something that is very seldom done.

In being asked to fulfil our commitments to NATO we are doing what others of our allies have already done. Nine countries in NATO have signed bilateral agreements with the United States. Not all of them have nuclear weapons, but most of them in fact do have them. They are not considered to be members of the atomic club in the same sense that Britain, Russia, the United States and now France are considered to be. We are just asked to do what the Prime Minister committed himself to do in principle in December, 1957 when he adopted a NATO strategy which involved signing bilateral agreements between the United States and the respective countries in order to provide from time to time the tactical nuclear weapons required in NATO.

In our negotiations when we should have been demonstrating good faith we must have made some outrageous proposals to the United States to store nuclear weapons south of the border. Such a patently impractical suggestion must have driven the United States state department and the former minister of national defence to distraction. Is it any wonder that they both took the rather unusual courses they felt they must take?

The Liberal policy in this matter is clear. We are convinced that the only honourable way to resolve the present dilemma is to live up to our commitments in full. The leader of the Liberal party stated this clearly when he said:

> The government should re-examine at once the whole basis of Canadian defence policy.

Later in the same speech he said:

> However, until the present role is changed, a new Liberal government would put Canada's armed services in the position to discharge fully commitments undertaken for Canada by its predecessor.

In office, Mr. Speaker, we would re-examine our defence policy, but any new policy would be designed to give Canada the maximum contribution to peace and security and on no other basis. The Liberal party is proud to have at its head a leader—

Some hon. Members: Oh, oh.

Mr. Jones: Which one is it this week?

Mr. Speaker: Order. There is one member who has the floor.

Mr. Hellyer: Mr. Speaker, our leader is a man who is not afraid to take a stand on the great issues of the day even at the cost of losing votes. He is a man who can make decisions and who will make the decisions necessary to restore Canada to its position of influence and responsibility amongst the nations of the world.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, it is not for me today to get into the argument as between the hon. member for Trinity and the hon. member for York South, but as I listened to the hon. gentleman a moment ago I recalled an occasion in 1960 when he performed a feat which was never before performed in this house. A speech appeared in the Ottawa *Citizen* in detail purporting to be what the hon. member for Trinity had said in the House of Commons, when he had not spoken at all. That was indeed an example that none of us, including the hon. member for York South, would ever want to emulate.

May I say that this afternoon I am going to review something of the situation as I see it based upon the amendment of the Leader of the Opposition, an amendment so general, so widespread, so obviously diffuse that one can only conclude that it was placed in such general terminology so that he would sidle away from the question of nuclear arms. He

was afraid to face that question. He spoke strongly, he spoke shrilly. He used the same expressions that he used back in 1957 and 1958, the same decayed platitudes, the same single concern, the same cry for office. Mr. Speaker, the closer that Bob Winters looms, the louder speaks the Leader of the Opposition.

At the end of all these generalities the mountain brought forth a mouse. The amendment simply states that for various reasons the government does not have the confidence of the Canadian people. There is not a single definite challenge. He did not dare challenge on the question of nuclear arms. He was afraid. The hon. member for Trinity says "We have a leader who speaks with such directness; we have a leader who speaks with authority and definiteness". A few weeks ago his leader was saying "No nuclear arms under any circumstances".

He cried out against the government's defence policy and generalities. He referred to some of the general problems facing our country. He turned, he contradicted, he did violence to logic, and when he concluded he produced an amendment which he believed would have the effect of securing the support of other members of this house.

I am going to refer to one or two matters today. I am going to deal first with the general situation in so far as defence is concerned, and in order that there will be no misunderstanding I will simplify what I said previously, underlining in every particular what I said on that occasion. Before I do so I think I should read in part an editorial in the Winnipeg *Tribune* which deals with this matter. It refers to the campaign that has been going on which has so many forms, the campaign which brings known nuclear advocates to Canada to brainwash the public, that encourages various people to become captive audiences. There was the farewell visit of General Norstad, and then there were other statements that were made by other generals. I think it was Clemenceau who once said that "the business of defence is too serious for generals. It requires civilian control."

The editorial in the *Tribune* goes on to say with respect to what happened following the declaration that I made in 1959:

> In the intervening period the whole military strategic and tactical situation has changed. But the military men and their spokesmen, just because they have the carriers they asked for four years ago, are now trying to pressure the dominion government into the ultimate decision in military planning. They think they must go the last mile—

Then there are some words in between, and we find this:

> —regardless of public or political opinion on this fateful question.

Then I should like to refer to what I said on January 25 when I outlined the policy agreed upon by this cabinet. I am going to read this and then I am going to summarize it. I quote from page 3136 of *Hansard* for January 25, 1963:

> Following SACEUR's recommendation, as we saw the situation in 1959 and as I said earlier in my remarks, we undertook to equip our squadrons assigned to NATO for a strike reconnaissance role, which role would include the mission of delivering nuclear weapons.

This was the basis, and every man and woman in this parliament knew that course was undertaken and understood. A program was approved and appropriated by parliament. The second point was, and I quote:

> Delivery of the F-104G has commenced, but the strike reconnaissance role has been placed under doubt by the recent Nassau declaration concerning nuclear arms, as well as other developments both technical and political in the defence field.

Well, I could pick up almost any newspaper in either the United States or Canada and indicate that that was the interpretation given, those were the views of the conclusions arrived at there when the two leaders got together. I have before me the *Christian Science Monitor*. This represents a completely changed viewpoint. I quote:

> The United States wants its principal allies to submerge their own national defence in a collective defence, where for example, General de Gaulle would merely be one among many and lose direct control of French defence. In present circumstances this unified defence quite simply means final control by the United States.

These are not the views of any Canadian newspaper; this is a statement made by a reputable newspaper whose editorials are quoted everywhere.

> The allies do not like it. This is partly because they do not want to yield up control of their own nuclear destiny—a sacrifice they know the United States is not prepared to make. And partly because they have strong ban the bomb minorities who fear that American control in a crisis means control by the Pentagon, by men trained to think in terms of war, not peace.

Mr. Hellyer: Will the Prime Minister permit a question?

Some hon. Members: Sit down.

Mr. Hellyer: Will the Prime Minister permit a question?

Some hon. Members: Sit down.

Mr. Diefenbaker: Then again, in the same issue this appears under "Allied defence", and it sets out the change in United States strategy in this regard.

Mr. Hellyer: You are referring to strategic weapons, not tactical.

Mr. Diefenbaker: I come back to my statement which appeared in *Hansard* of January 25, and I quote:

It will be necessary, therefore, at this meeting in May, for Canada to give consideration to this matter and we will, in co-operation with the nations of NATO, undertake a clarification of our role in NATO defence plans and disposition.

We are united in NATO. We have never and will never consent to Canada breaking any of her pledged words or undertakings.

I underline that.

It is at that meeting where there will be reviewed the entire collective defence policy, that we shall secure from the other member nations their views, and on the basis of that we will be in a position to make a decision, a consistent decision, first to maintain our undertakings and second to execute, if that be the view, the maintenance of our collective defence. In the meantime the training of Canadian forces in the use of these weapon systems can continue.

Now, I say to the House of Commons this. After that meeting we shall bring this matter before parliament clearly, definitely and finally. I want to make that clear. There is no suggestion of any underhand agreements being entered into.

I summarize now the views that I placed before the house on this question. First, with regard to bringing nuclear warheads on Canadian soil, we will continue to negotiate with the United States so that they will be readily available in case of need. This means that our security will be assured while at the same time we will be doing nothing to increase the nuclear family. Second, in that reference I made to negotiation, there was no prejudice in that. I referred to the fact that negotiations were being conducted. There was no secrecy about that. I did not go into the facts in any way because those negotiations, in so far as agreements are concerned in connection therewith, naturally could not be revealed and are confidential. I point out that Secretary of State Rusk in his conference said this in connection with the negotiations, and I quote:

These are matters which have been discussed with the Canadian government in private talks and I would suppose that these private talks would be resumed.

It is the intention of the government to carry on these talks. It should be pointed out that some proposals already have come from the United States government. With regard to the question of nuclear warheads for Canadian forces in Europe, the Nassau declaration stated in paragraph 6, dealing with action which may be taken to bring about multilateral nuclear forces within NATO:

This could include allocations from United States strategic forces, from United Kingdom bomber command and from tactical nuclear forces now held in Europe.

This proposal for multilateral nuclear forces in NATO went much further than any previous proposal and is one upon which discussions are already under way in the NATO council as to whether tactical forces such as Canada's would be included. This whole new development will be under intensive study and preparation for the NATO ministerial meeting. I have already pointed out that in the meantime the training will take place.

Now, sir, I am not going to go again into the question of the United States having issued the document which it did. However, there are one or two references I intend to make to it, and then pass on to some other questions. I repeat that the issue of that statement on January 30 was an intrusion into Canada in a political subject, and a controversial one, that cannot be excused by mere words. In the course of that statement challenges were made of several statements I made, all of them matters of opinion. We have not yet come to the place in the fellowship and freedom of nations when the views of any one of them in matters of opinion must be the views of any other one belonging to that group.

I just want to refer to one, and that was with regard to the Bomarc. I have stated that the Bomarc was simply a part of the plan for North American defence and was not to defend Canada. That is not its purpose, but in its statement the state department said two Bomarc B squadrons would protect Montreal and Toronto as well as the United States deterrent force. Well, we installed these Bomarcs and the decision to do so, as part of a ring to protect the nuclear strike force, was announced in September, 1958.

What about the changes in between? What is the position of these things today? On the one hand the department of state says they will defend Montreal and Toronto, that they are effective today; but on the other hand, on January 31 it was reported that defence secretary McNamara suggested that Bomarc missile squadrons have only limited usefulness even against manned bomber attacks. Are they going to continue with them? Yes, they are going to continue them, and the reason given was because the United States government has already paid for them. That does not sound as if their defensive properties are very high today, simply because they have been paid for already.

Earlier the defence secretary told the United States committee that a general review of United States military strength shows that the continental interceptor force is vulnerable because it has no modern protection against missile attacks. Intercontinental missile attack is the great danger today, and this is what I say.

While on the one hand the department of state issued its statement, on the other hand, on the day after, the secretary of defence said the very opposite. He said:

> Our principle concern in the years ahead must be the dangers of an intercontinental ballistic missile and submarine-launched missile attack and the main thrust of our efforts should be redirected to meet these rising threats.

Mr. Speaker, there is the story. I do not often quote from the Toronto *Star* but this is what the Toronto *Star* said on that occasion:

> Washington contradicts itself. Whatever else may be said about them, the arguments the American state department marshalled yesterday in its statement on nuclear arms for Canada are, at best, dubious.
>
> In fact, they often run head-on into the views defence secretary Robert McNamara presented earlier yesterday to a congressional committee. It would almost seem as if the left hand in the state department did not really know what the right hand in the Pentagon was doing.

Some hon. Members: Hear, hear.

Mr. Pickersgill: That sounds like the government of Canada.

Mr. Diefenbaker: There are three or four other points which can be analysed in the same way. On this occasion I am going to restrain myself from again referring to the document in question, but I do say this, without any reservation; that the subsequent statement made by the United States secretary of state added to the seriousness resulting from the earlier statement. He said in effect that what I said was incorrect. Then he wound up and said that Canada of course has the right to decide. Certainly it has the right to decide, but in that subsequent statement over and over again there is reiterated a viewpoint that is inconsistent with the relationship between allies.

There has been no criticism on our part of the United States on occasions when we might have done so. I can think of events which have taken place within the last year, but self-control is necessary and must be exercised as between nations. We might have spoken out. Mr. Speaker, I say no more about that statement issued by the state department.

What I said on the opening day I repeat, and to that I add that the further restatement by the secretary of state constituted a further intrusion into Canadian public debate and public consideration of this matter.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: So far as the Leader of the Opposition is concerned, he has a way of finding himself in a hole and then coming through the same hole he created for himself. He said this thing is wrong, but then he proceeded to use all the arguments that were wrong in that statement to devastate us if he could.

Mr. Pickersgill: So did Mr. Harkness last night.

Mr. Diefenbaker: I realize the joy that has been given to the heart of the hon. gentleman by making that statement, but I am saying that the arguments that were used in the statement that should not have been issued, should not have been used. That is not the way for diplomatic relations between countries. It has become the cornerstone of the argument of the opposition, indeed even before the statement was issued. I refer of course to the Liberal opposition.

Mr. Benidickson: You cannot explain that to the Conservatives in Calgary North.

Mr. Diefenbaker: I am glad to see the hon. gentleman back. Now, there are some who say to me that if you take a stand like this it is anti-American. Mr. Speaker, it is nothing of the kind. I do not think it is other than pro-Canadian, or Canadian, to point out when something is wrong. That is unjust.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Somebody said to me that if I take this stand then we are going to suffer danger in Canada, damage to Canada, and that we are going to do harm to Canada's economic strength. I do not accept that argument. It is an unworthy one. Does anyone tell me that the United States, which has spread its beneficence all over the world, would retaliate because we failed to adopt a suggestion that they offered? Such an argument, and I hear it spoken today in various parts of our country, if carried to its logical conclusion means this, that our country has ceased to be a country wherein we have the right to make our own policies. I do not accept that.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I believe in co-operation because I believe in good relations. Franklin said we hang together or we will hang separately, and I believe in co-operation. Without it there is no survival. But I cannot accept the fears of those who believe we must be subservient in order to be a good ally of any country in the world. Macdonald fought this battle. The great merchants in the city of Montreal in those days—not the French Canadians—had their views on this subject, that after all Canada would be that much stronger if it were joined with the United States. That was not Macdonald's view. That idea comes in with almost every generation.

I say this, Mr. Speaker. We are influenced in this way every day in our country on

radio, television and in the press. When the leader of the United States speaks, we get it in detail over our television. I should like to see more of an interchange in this regard so they would learn something about our country. When I hear some saying that the fact that one dares to speak out will endanger Canada's economy, I wonder what the future of this country would be if those who have such fears and those who are of little faith held office in our country. I believe in co-operation, in the closest co-operation, but not in the absorption of our viewpoint by any other nation. I believe in the maintenance in spirit and in fact of Canada's identity, with the right to determine her own policy without extramural assistance in determining that policy.

Mr. Martin (Essex East): We all agree with that.

Mr. Diefenbaker: I now pass on to the next phase in connection with this amendment, Mr. Speaker. As we listened to the Leader of the Opposition he repeated the same old statements. I was reading some of the speeches he made in 1958. He has a mighty good memory, because he used the same words then, right from the beginning. He speaks of the degree to which parliament has failed to act. He would lead the country to believe that we are responsible for this. Well, Mr. Speaker, I take up the order paper and look over the amount of legislation we have on it. Can we get anything through? I am not speaking of the other parties now.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I am speaking of those who openly boasted that they would hold up this house until finally we would not have supply and would have to go to the country. This is legislation necessary for Canada. With regard to the national development act they said that, subject to the proper criticism and examination, it is good legislation. Do they let it go through? They talk and talk; then they end up denying its passage. It has been the same story, Mr. Speaker, all down the line, and I am going to refer to that in some little detail. They say we should organize the business of the house.

An hon. Member: Hear, hear.

Mr. Diefenbaker: I hear one solitary voice, Mr. Speaker. We could organize the business of the house. We have placed the business before the house. Let us look at the legislation on the order paper. How many measures are before the house? The number is 31. There is the measure respecting the national economic development board, which is something that should have gone through; there is the measure with respect to the Freight Rates Reduction Act. We cannot even get that before the house. There are other measures here which are not of the same importance. There is the motion of the Minister of Labour for the second reading of Bill No. C-70, to provide for the safety of persons employed in federal works; there is the measure respecting industrial change and manpower adjustment; the measure to amend the Export and Import Permits Act; the measure to amend the Industrial Development Bank Act; the resolution in connection with Canadian National Railways, and so I could go on. There is measure after measure which waits. There is the measure to set up an Indian claims commission; to amend the National Productivity Council Act by providing for the appointment of additional members, and so on. These are matters that we want to get through. In addition we have several others to come, to which there will be reference before I conclude.

What happens? They come in and spend almost an hour a day on questions. One of the most spectacular contributions to wit, humour and waste of the time of parliament was that made by the Leader of the Opposition the other day when he rose and gave his condolences to the Minister of Trade and Commerce for the burning down of some building in Toronto.

Mr. Pearson: The George H. Hees building.

Mr. Diefenbaker: The Leader of the Opposition, holding a responsible position, talks facetiously like that.

Mr. Martin (Essex East): A fire is not a facetious thing.

Mr. Diefenbaker: Wasting the time of parliament; that is what has been going on. How can we organize these things if they hold up everything?

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Mr. Speaker, I could go down the whole list and indicate exactly what has happened in this regard. On January 21 I put before the house, not by way of dictation in any way but simply the suggestion, that we get on with the business; that we endeavour to extend the hours of sitting; that we arrive at a plan whereby we will be able to deal with such matters as the bill to amend the provisions of the Railway Act, based on the recommendations of the MacPherson royal commission—

Mr. Pickersgill: It has not yet appeared.

Mr. Diefenbaker: —a resolution arising out of the recommendations of the O'Leary royal commission on publications, the amendment of the Unemployment Insurance Act following the report of the Gill committee.

Mr. Pickersgill: That has not appeared.

Mr. Starr: Well, get the others through and these will appear too.

Mr. Martin (Essex East): When were the reports made?

Mr. Pearson: They are not on the order paper.

Mr. Diefenbaker: I sometimes wonder how that man is able to stand up with the guilty conscience he has. I am referring to the hon. member for Bonavista-Twillingate (Mr. Pickersgill).

Mr. Pickersgill: Mr. Speaker, I rise on a question of privilege.

Some hon. Members: Oh, oh.

Mr. Pickersgill: The Prime Minister has suggested that I have a guilty conscience. I would certainly have a guilty conscience—

Some hon. Members: Sit down.

Mr. Pickersgill: Of course if hon. gentlemen opposite do not want to listen to me—I would certainly have a guilty conscience if after 17 government bills had been passed with opposition assistance in the first 60 days of this session, compared with an average of eight when the hon. gentleman had a majority of 200, I was complaining violently of obstruction.

Mr. Diefenbaker: I will not answer that, because it is just time wasted as well. All through the piece the hon. gentleman is not guilty. He is not doing any time wasting and I am going to accept his denial. We feel he is. He does not.

What about this question: when are we going to get this legislative program before the house? It all depends. The hon. gentleman says they do not hold it up. That leads me to deal with the course which has been followed by the official opposition. They say "Why don't you get these things before the house?" Hon. members heard the speech made yesterday by the Leader of the Opposition. It was part and parcel of that unrelenting search for power. I cannot explain the attitude. Last June, last May, by their guerrilla tactics they endangered the confidence of people in Canada. They continued to do that throughout the campaign. They sabotaged public confidence. They sniped at national achievement. Why have they been pushing for an election since the opening day last fall? They have been pushing for it because they know that every day we are in office, with the rising impetus of our economy, the falsity of their arguments in the election is being proven.

I look down this chamber to my friends in the Social Credit party. I am dealing with them now; in a moment I shall be speaking about the N.D.P. I wonder what they must think of a leader who voted for an amendment proposed by the Social Credit party in accordance with their beliefs, an amendment proposing debt free money. When they were asked whether they believed in debt free money they said "No, no, we do not believe in it." As far as the New Democratic party are concerned the Liberals say "We are ready to merge with them, or at least to take them in". There is only one down there they do not want, according to the hon. member for Davenport (Mr. Gordon), and that is the hon. member for York South (Mr. Lewis). He is a marxist, according to the hon. member for Davenport. The rest of them are all right.

Mr. Gordon: I would ask the Prime Minister to prove I ever said that. If he means by it the implication which sometimes goes with it, he is not telling the truth and it is high time he did.

Mr. Lewis: I think, Mr. Speaker, I have the only legitimate question of privilege, and I want to inform the house, in the words of Karl Marx, that I deplore the word "marxist".

Mr. Diefenbaker: The hon. member for Davenport did not deplore it, according to the Canadian Press. He asked me to read the statement. I will give the exact words. This is the report which appeared in the press. I read from the Saskatoon *Star-Phoenix* of January 14:

> The New Democratic members of parliament range all the way from those who would easily assimilate Liberal theory ... except David Lewis who is an out and out marxist and who would never fit into our party.

Mr. Lewis: On a question of privilege may I say that the last part of the report, namely that I would not fit into the ranks of the Liberal party, is accurate. The first part is utterly false.

Mr. Diefenbaker: I thank the hon. gentleman for answering the other hon. gentleman.

I am going back over the arguments they used, the same arguments with which they undermined the confidence in this country. They said that as a result of our action in pegging the dollar, the dollar of the Canadian housewife would be worth 7½ cents less. They said the cost of every item of food, every article of clothing, every household requirement, would be increased. They said the cost of services would be increased. If

they want proof, I have it. They said—and they did this for political purposes—that we were ruined as a nation. They predicted soaring inflation which would wipe out the savings of widows and pensioners. How did they support this? They offered counterfeit dollars to support a counterfeit charge in a counterfeit campaign. That is the hoax they almost succeeded in perpetrating on June 18.

When we said our trade was increasing they said "Nothing of the kind". They painted a dreadful picture of ruin within this land. They do not speak about that any more. They speak about other things. I ask this question. What of their prophecies? Have living costs increased as they said they would? Mr. Speaker, the increase in the cost of living in Canada in 1962 was the lowest in any of the free world countries. We told them what would happen when we pegged the dollar. We told them it would increase our export opportunities, substantially increase the revenue of the tourist industry and provide more opportunities for Canadian manufacturers to produce for the domestic market. They ridiculed, they ranted and they prevaricated. That is why they were so anxious to get an election in the fall, so that their campaign of falsehood would not be answered by the facts.

The increase in our gross national product? They said there was nothing to that. They reviewed the situation. We know today what the situation is, and in order that the record may be clear before this vote takes place I intend to put a few of the answers on the record. Who told the truth about the Canadian dollar?

Mr. Pickersgill: The Minister of Agriculture.

Mr. Diefenbaker: The hon. gentleman is so right. He does not say he did, or that anyone associated with him did. Who told the truth about the Canadian economy? As I went across this country after the election two people said to me, "You told us that the economy was on the uprise, a great upsurge, and it was not true because you had this foreign exchange difficulty". They had it in 1948.

Mr. Pickersgill: In 1947.

Mr. Diefenbaker: All right, 1947. They had the pegged dollar then at 10 per cent.

Mr. Pickersgill: You might as well have the facts right.

Mr. Diefenbaker: I was half way between. I said 1948. It started in 1947 and went through to 1949. Now, being face to face with them in the House of Commons, on the basis of what has taken place since then, I charge them with an offence and say they were guilty of one of the greatest election frauds in our history. I refer to all of them. They went across Canada. They put their greed for office before the needs of Canadian citizens. Now we are able to offer the facts. Do they quote the London *Economist* any more?

Some hon. Members: No.

Mr. Pearson: We should be glad to do so.

Mr. Diefenbaker: Even the hon. member for Bonavista-Twillingate (Mr. Pickersgill) has not referred to it for some time. What does the London *Economist* say? In this year end edition of December, 1962, it says that Canada in 1962 outstripped every nation in the world in the rate of economic growth.

The hon. member for Davenport is not here at the moment.

An hon. Member: He is coming in now.

Mr. Diefenbaker: I am glad he is now here. May I say that we reached the present level three years ahead of the target date indicated by the royal commission headed by that hon. gentleman. I am placing the record before the house and the country, and answering that campaign about which I shall say no more than I have already said. *Newsweek* states as follows:

> World wide industrial expansion is 7 per cent over last year with the United States (coming out of a recession) and Canada registered the top gain.

What of these purveyors of doom and gloom? What of the statements they made before the Canadian people? What does *Business Week* say?

Mr. Pickersgill: The Minister of Justice in Tokyo said—

Mr. Diefenbaker: Oh, I know you ridicule anything with regard to Canada's economic growth and expansion. That is part and parcel of the Liberal attitude.

Mr. Pickersgill: Mr. Speaker, I rise on a question of privilege.

Some hon. Members: Oh, oh.

Mr. Pickersgill: The Prime Minister has once more chosen to make a personal reference to me, suggesting that I was ridiculing something. All I was pointing out was that the Minister of Justice in Tokyo said we had the highest level of unemployment in the western world.

Mr. Fleming (Eglinton): I rise on a question of privilege, Mr. Speaker. This assertion has been made twice in the house. It was raised first of all by the Leader of the Opposition. I said then that I never made any such statement and that a report to that effect appearing in one of the Tokyo papers was not true. The hon. member for Bonavista-Twillingate, notwithstanding that denial,

came back and made the same statement in this house later. It was again denied. He is repeating it again now. This is the plainest breach of the privileges of the house in repeated assertions of something that is not true. I say that what he is saying and what he is trying to do is dastardly and false.

Mr. Diefenbaker: Mr. Speaker, if the hon. member cannot understand that language, he cannot understand English. I mentioned *Business Week* which states as follows:

Canada chalked up the highest growth rate of any Atlantic community country—

Where are these people who went about in sepulchral tones and talked about the awfulness of the Canadian economy? No wonder they want an election. Their sins are now finding them out.

The Mercantile Bank of Canada has this to say:

Devaluation has provided a powerful force contributing to a better external balance, increased production and more employment.

I have only to look at the records as to Canada's foreign exchange position. It is one of the best, if not the best, in all our history, according to the record in today's *Globe and Mail*. The *Financial Post* states:

Canadian steel makers—

And may I say that steel is always indicative of an economy going up or down.

—are being hard pressed to cope with the record flood of orders for cold rolled steel sheets.

The Canadian Imperial Bank of Commerce, states:

One of the main sources of strength as this year progressed has been the substantial rise in the volume of exports . . . Personal incomes have continued to expand in the wake of increased employment opportunities, higher rates of pay, and record levels of farm income.

Then, Canadian business had this to say. I do not like to put these things on the record, Mr. Speaker, because I know how hon. members opposite feel. They, who predicted that the country was going into bankruptcy today, are compelled to sit and to realize that their statements have no basis; and they knew they were false when they made them.

I mentioned the reserve. In today's paper the Canadian Press carries this report:

Canada's reserves gained $123,100,000 during January to a record $2,662,500,000 due to the receipt of $125,000,000 in U.S. dollars from a government bond issue in New York last fall.

Then it goes on to say this:

Still to be repaid from the reserves is $300,000,000 borrowed from the international monetary fund by the government at the time of the foreign exchange crisis last June when the reserves reached their low point of about $1.1 billion on June 24.

That has been the picture all the way along. Have they learned their lesson?

An hon. Member: They will never learn.

Mr. Diefenbaker: Mr. Speaker, they are at it again. The hon. member for Davenport (Mr. Gordon) was out west. He said, "Oh, things are gloomy ahead, as I see them". May I say that he did not see ahead very well. He said that our national production would not attain the present level until three years from now. They are all starting at that same old dirge again. I think Mr. Winters joined in it the other day as well. I say this, Mr. Speaker. The same authors and the same spokesmen are abroad in the land again. The propaganda trumpets are being tuned for another doleful dirge on this nation's economy. Mr. Speaker, may I say that the people today know who told them the truth.

I could go into the questions of trade and agriculture. As far as trade is concerned, all of us know the tremendous expansion that is taking place. Every effort is being made to ensure that for the first time in the Department of Trade and Commerce we go out after trade in every part of the world.

Agriculture? All you have to do is ask the farmers: "What about your incomes"? What did the pegging of the dollar do? You remember what hon. members opposite said. They said to the farmers: "You are going to lose your markets. This is a very serious situation. Prices are going to go down." That was repeated over and over again. Let me say this. We have extensive measures in mind under the Agricultural Rehabilitation and Development Act, ARDA, which in the years ahead I believe will stand as a monument to the greatness of the contribution of the Minister of Agriculture (Mr. Hamilton), a charter for the development of rural communities and maximum utilization of the nation's land and resources.

I am not going into the question of social security, except to say this. We cannot get anything through in this house because all the official opposition does is watch the clock to be sure nothing will pass within a reasonable length of time. That has been their attitude. Let none of them say they have not been boasting about it, because during Christmas week the old propagandist for that party started to say to the press: "We will hold them up so they will not be able to get their estimates through. We will hold them up so they will not get any money and then they will have to go to the country." Then the individual in question, whom that shrug of the shoulders along with other movements identifies, went on to say: "They will not

get anything through; they will not get their estimates through." That has been the attitude throughout.

Social security? We want to bring about an opportunity to have portable pensions under way in co-operation with the provinces. We want an opportunity in this house to bring in a program for a contributory old age security plan on the basis of survivor benefits. It cannot be done without an amendment to the constitution. In view of the opposition of one of the provinces I feel that we should now give consideration to bringing about the adoption of such a plan without survivor benefits in order that we may carry out that which we have tried to, namely an improved and beneficent social security program under which you and I will contribute during our earning years up to a date when we become pensionable.

In addition, the hon. member for Red Deer asked: "What are your further plans?" I think one problem that has to be met is the question of urban redevelopment by means of a program in that connection. That is something that affects almost every member of this house. The constituency of the hon. member for York-Scarborough (Mr. McGee) covers an area that was farm land when I was a boy and today it is settled with 250,000 people. There must be co-operation with the provinces. A plan must be worked out. We want the opportunity to present this kind of thing. We want to get the legislation on the order paper passed—

Mr. Fleming (Eglinton): And a lot more.

Mr. Diefenbaker: —and, as the Minister of Justice says, a lot more. You say: "What would you do?" I ask you, what can we do but invoke closure, and I shall never adopt closure because I remember the way the official opposition crucified parliament. If our hands are tied they are not tied by the other two parties but by the official opposition. They bear the responsibility. Oh, they can smile. The Leader of the Opposition smirks—

Mr. Pearson: No, smiles.

Mr. Diefenbaker: —but at the same time he knows who it is that is holding up legislation. We put it before parliament. They hold it up. We place before you our views on defence.

An hon. Member: Which ones?

Mr. Diefenbaker: We will bring in the new estimates—they are available—within a period of two weeks.

Mr. Nowlan: One week.

Mr. Diefenbaker: Within a period of one week.

Mr. Nowlan: They are available today but only in one language.

Mr. Diefenbaker: We will bring down a budget within four weeks or so—I think within four weeks.

Mr. Nowlan: By the last day of February or before.

Mr. Diefenbaker: By the end of February. I thought the opposition wanted a budget. They do not want a budget, Mr. Speaker. They are afraid of what it will contain.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: They do not want it. Oh, they will go to the people. Do you know what they thought I would do? They thought I would recommend dissolution and then they would say: They denied us a budget, they denied us the opportunity to pass legislation, they denied all these things. I have put it on their doorstep now.

I can understand their feeling. You know, they are conscience stricken over what happened to the Canadian economy. They are fearful of what will be in the budget, so they come along and challenge on the same old grounds and in the same old words, the same vocabulary, that they used before we were in office a matter of a few weeks. They do not want a budget. They came up with the idea that we should use Governor General's warrants instead of supply. We are giving them the chance to permit us placing the rest of our legislative program before the house, in addition to what we already have on the order paper—a program which is needed in every part of this country.

The Leader of the Opposition quoted Cromwell or rather misquoted him. I say, using Cromwell's words: Do something to assure Canada legislation that we will pass with your assistance, and which we cannot pass unless you co-operate.

Mr. Pearson: Who said that?

An hon. Member: Cromwell never heard of Canada.

Mr. Pearson: Jimmy Cromwell.

Mr. Diefenbaker: Do you want to frustrate our program? Certainly you do. Do you want to prevent a budget? They want to prevent us, Mr. Speaker, from completing the national development act, and they have done so. We have been five years in office and development in all parts of the country has been greater than under any government in the same period. We want to complete the national economic development board act. What good

is it in its present form? What are we supposed to do? They say, why don't you organize? How can you organize to secure the consideration of something that the opposition is doing everything in its power to prevent being enacted? They have followed that course.

I want to see an examination of legislation. I want to see all the bills looked into carefully. I do not want to take from parliament the right to discuss any particular matter, but when you get the same repetitious nonsense during the discussion of all the bills that have been introduced you can only conclude that what is being done is being done for a purpose. They are going to vote nonconfidence to prevent us bringing in this legislation, they say, to prevent our bringing into effect something that has been requested over and over again, a feed policy for the eastern farmers; that is on the order paper today.

The following resolution will appear on the order paper, to introduce a measure to provide for the adequate supply of feed grain for livestock in eastern Canada, for the establishment of an eastern livestock feed board; to provide for the making of assistance payments by the board in respect of the transportation, carrying and storage of feed grains. My hon. friends over in the Social Credit group have been asking for something like this. It is being placed on the order paper now, following a full examination that has taken place. Now you are asked to vote it down; to say you do not want it. Well, that is what the Liberals want to achieve.

What about the western farmer? What about the two-price system and the distribution we have made over the years? Are you going to turn that down? This is what it amounts to if you vote non-confidence. You say to the western farmer and the western people that such a system should not be adopted.

We have other matters of legislation in the field of trade and commerce, and so on, to accelerate the economy. I do not come before you to ask for your support. I simply say this. If you vote against us in the house you are actually playing into the hands of the official opposition. What about the other two parties? What about Social Credit? Well, no part of our policy is determined elsewhere than by ourselves. Yesterday, you were cajoled and pampered by the Leader of the Opposition. I never saw anybody smile with such a benign look in your direction. He loves thee, but he loved you not until yesterday.

An hon. Member: We know that.

Alleged Lack of Government Leadership

Mr. Diefenbaker: Mr. Speaker, do you remember the stories they told of the Social Credit member immediately after the election? I am not going to put them on the record, but they had you as people who were going to government house in order to get your car and chauffeur and some of you supposedly went to Quebec city in order to find your office in the legislative building. When I heard that stuff I said that was the same old song as they sang in 1922 regarding the Progressives. They told the same stories, then, but at that time they did not have a chauffeur included. That was the attitude of the Liberal party and that has been their attitude throughout.

Do you remember the night of November 9 in this house when you were held up to contempt? Now they say, join with us. What for? For your benefit? I say to my friends of the N.D.P., greater love hath no man than the Leader of the Opposition for you today. When you line up to prevent this legislative program, you deny the budget for which you have been asking. I say to each and every one of you—I cannot speak to the unregenerate opposite because there is no hope of salvation for them—remember this group. I see them here often. This is the same bunch who trampled on the rights of parliament day after day, who destroy any vestige of argument and refuse us even the opportunity to speak. Have they reformed? Well, Mr. Speaker, we saw the nature of their reform a few days before Christmas when, by organized disorder, they prevented me from speaking in this house.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Mr. Speaker, the old question comes back, can the leopard change its spots? These are the facts. I place them before you as fairly as I can under the circumstances. They talk in the amendment about lack of leadership. I ask the Leader of the Opposition, is it leadership that he is showing in preventing parliament from dealing with these matters?

"Confusion"—who used that word?

First he said "I don't believe in nuclear weapons." Then he went to New York and came back and said, yes. Then he went to his constituency and said "I did not say 'yes, I was in favour of nuclear weapons'. I would only have them until I am able to get an agreement not to have them."

Mr. Speaker, I ask this house for a vote of confidence, for the opportunity to do the things we want to do and have been denied the opportunity of doing. I have no appeals to make but I feel that the people of Canada want us to complete our legislative program, get our estimates through, and then all of us

will be able to say to the people of Canada, "We received a mandate. It was an uncertain one. As the hon. member for Red Deer (Mr. Thompson) said, we are a house of minorities, but we carried out the mandate given to us."

We can only give the people a chance, but before we do that do not let us risk an election campaign now. The other day I saw the benefits of calling an election, thinking only of the political consequences in our favour. But I asked "What will its effect be on a rising economy in the years ahead and the months ahead, unless we get those things on the statute books that would continue the upsurge of the economy of Canada?" I now ask a vote of confidence from all hon. members in the house.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I would not intervene again in this debate but for the remarks of the Prime Minister, so many of which were directed to me, and the remarks of the house leader last night, so many of which were directed to me personally, challenging me to do this and challenging me to say that. I feel I must accept the invitation given to me again this afternoon in such courteous tones by the Prime Minister, to state my views on certain matters which apparently he had not satisfied himself about in my previous intervention.

Mr. Speaker, we have heard a passionate plea on the part of the Prime Minister for support from the opposition parties so that he may remain in power, so that he may remain in power not to complete the work but to begin the work that he promised to do.

The Prime Minister and his friends accuse us of being arrogant for power when we do our duty as an opposition, taking advantage of every legitimate opportunity to get rid of this government which has done so little for the Canadian people. How are we to describe the plea of the Prime Minister speaking for a government which has failed for five years and demanding that we give them another chance to bring their legislation before parliament? It reminds me of the story of the teen-age boy who killed his mother and father with an axe and then pleaded for clemency from the judge on the ground that he was an orphan.

It was a plea for power and a plea for support from those sources which are necessary to the Prime Minister, if he is not to be defeated this evening; and that is why he made his direct and definite appeal to the parties to my left. Indeed he went so far as to murmur something, trying to challenge our right to address our remarks to all parts of the house, about greater love has no man. This apparently was an attempt to undermine any appeal I might have made.

I do not recall making any great appeal. The members in the other parties will do what they think is right and best for the country, and we shall leave it at that. But I would like to adapt the Prime Minister's quotation of greater love, in view of the events of the last few days, to put it this way, that perhaps greater love hath no man than this, that he lay down his friend for his life. I think, however, that the Prime Minister, who got a great deal of assistance from prompters around him—and I am sure he appreciated it as I do on this side when I am privileged to receive it—should be given that kind of admiration and sympathy that is afforded to a surgeon who is conducting an operation for appendicitis on a table in the cook's galley of a plunging ship in the midst of a North Atlantic storm. He is certainly doing his best with the weapons at his disposal and in the circumstances in which he finds himself.

This afternoon he made a great play of the fact that all the rumours that have been spreading are put out by the propaganda machine of the Liberal party. Mr. Speaker, since when has the propaganda machine of the Liberal party found its headquarters in this building in the office of a Conservative cabinet minister?

The Prime Minister went over the legislative proposals of the government which he says only the Liberal opposition are preventing from being put into effect. He exempted the other two opposition parties from any charge or any criticism of this kind. He says "Only give us a chance and we will get all these things through." One of the things he mentioned—and I will pick only one because I have not time to expose the falsity of the other arguments and illustrations that he brought forward—

Mr. Fleming (Eglinton): You have unlimited time.

Mr. Pearson: —as one illustration of what they had been trying to do was the matter of portable pensions. There is something. He said, "If we had only had a chance we could have got that measure through". Well, Mr. Speaker, that proposal was in the speech from the throne. A national scheme of portable pensions, to which this party is committed, of course requires co-operation, consultation and agreement with the provinces. When we asked the question the other day as to whether any steps had been taken to get in touch with the provinces in connection with this very important matter, when we asked for a return on this matter, we found that at the time the question was asked not

a single communication had gone to a single provincial government. This is what we mean when we say this government does not know how to conduct the business of parliament and the business of the country.

Then he goes on to say, "Over on the opposition side they filibuster. They stand in the way. They obstruct. Everything would be through if it were not for them". He ignores the fact that, as I said yesterday, the government rejected every opportunity but one to bring supply forward last autumn and they kept parliament from meeting until September 27. They have allowed only one supply day this session and we have had no request for interim supply even though the last interim supply was exhausted on February 1. Can they blame it on us if they managed their business that way?

So far as taking up time is concerned, the Prime Minister has made some very general accusations, in his normal way of making very general accusations, without supporting them with detailed evidence which will stand up under examination. Not the kind of evidence he brought forward the other day when he was quoting from a report of a statement which I made and from which he left out the word "not". I do not mean that kind of evidence; I mean evidence that will stand up under examination. Let us see, Mr. Speaker, what is the record of this parliament. It has already been stated this afternoon in a question addressed to the Prime Minister by my hon. friend to my left that a good deal of legislation has been passed. More legislation has been passed this session than was passed in the last session, when the government had 205 members. So that in itself does not bear out the accusation of complete obstruction. But who is doing the talking? Who are holding things up, if things are being held up? Who is responsible for exercising the time honoured right of members of parliament to discuss legislation and proposals before they go through? According to the Prime Minister the situation is, "Let us bring them in. Let us get them through. That is all that matters". He is so anxious to get things through this house that he will not even let us discuss $200 million of taxation imposed by order in council. He will not even bring that matter before the house. That is really carrying efficiency to the maximum.

But in so far as those matters which have been brought before the house are concerned, what has happened? With regard to the national economic development board, a very important piece of legislation, on November 27, 28 and 29 five Liberals spoke, three Progressive Conservatives, four Social Crediters —four out of a party of 30—and three New Democratic party members out of 19. On the Atlantic development board, a government measure which had the support of the government, which they now claim they wanted to get through at once and that we were holding it up, 17 Progressive Conservatives felt it necessary—and I do not criticize them —to talk in favour of a measure which they already supported and which they were not going to change. Twenty one Liberals spoke on that measure and put forward amendments to make it a better measure, and there were seven Social Crediters and 12 New Democratic party spokesmen. When that bill went into committee there were 49 Progressive Conservative members who spoke on it without proposing any changes whatever, but who rose to their feet to say, "This is a wonderful bill. Let us get it through, so 49 of us will make speeches on it". On second reading, Mr. Speaker, there were four Liberal, five Progressive Conservative, two Social Credit and three New Democratic party spokesmen; and on the last day, November 20, the Conservatives had to filibuster their own bill in committee for an hour and a half because there was no other business ready for the house.

Some hon. Members: Hear, hear.

Mr. Fleming (Eglinton): That is not true.

Some hon. Members: Oh, oh.

Mr. Pearson: My hon. friend, the Minister of Justice (Mr. Fleming) was, I think, in Japan and was not aware of what was going on here.

Mr. Fleming (Eglinton): I was in Japan when the house was in recess.

Mr. Pearson: He may have been telling the Japanese people there was no unemployment in Canada. Then we had a supply motion, the only supply motion brought forward last autumn. This government complains that they cannot get their estimates through, and they brought in one supply motion last autumn and introduced the estimates of one department of government—

Mr. Churchill: Six.

Mr. Pearson: They introduced the estimates of one department of government, the Department of Agriculture, for consideration. Most of the time in considering item No. 1 of those estimates was taken up by the Minister of Agriculture (Mr. Hamilton) filibustering his own estimates in order to explain what he really meant by something he said out west. It took him an hour or so to do it. Speaking on the supply motion on November 5 and November 6 the Conservatives spent two hours and three minutes, the Liberals

two hours and 49 minutes, the Social Crediters one hour and 43 minutes—which is a pretty good percentage of the time—and the New Democratic party one hour and 10 minutes.

Mr. Speaker, I have to go through this evidence because the Prime Minister made these vague and general statements and the Minister of Veterans Affairs (Mr. Churchill) made equally vague and general statements last evening. In view of this we will just look into the facts and try to get the truth, which is a very important thing to do in these situations. The budget resolutions last autumn took up eight days, including four short days, in committee of ways and means. On those discussions—and they were very important discussions on the economic state of the nation—in the budget debate without a budget, as we called it, the Liberals spent six hours and 44 minutes analysing the economy and the government's proposals, if they had any, to deal with the state of the economy, the Social Credit party spent six hours and 19 minutes, the Progressive Conservatives three hours and 36 minutes, and the New Democratic party three hours and 49 minutes. With regard to the debate on the address, the Conservatives spent 14 hours and 16 minutes, and we spent 14 hours and 31 minutes. On the resolution in connection with the farm loan bill, a bill which was so important and so perfect that no change could be made to it, all we had to do was get it through the house at once, the Progressive Conservatives—this was a bill they were supporting and which they did not want to change; all they wanted to do was praise it—spent two hours and 48 minutes, while it took the Liberals two hours and 26 minutes to try to make it a better bill.

Mr. Speaker, that is the evidence to support the record. If, in the face of that record, the Prime Minister and his government want to go to the country on the charge of obstruction, as they tried to do last June, that is perfectly all right with us.

The Prime Minister made great play this afternoon on the improvements in the economy and he produced evidence to support his statement that there has been an encouraging improvement in the economy in recent months. The Prime Minister is, of course, following his usual practice of manufacturing straw men of enormous size so that they will be much more impressive when he knocks them down. He accused us last year of prophesying doom and gloom in the budget debate—

Mr. Diefenbaker: Throughout the campaign.

[Mr. Pearson.]

Mr. Pearson: If the Prime Minister would bother to look at the speech I was able to make in the few minutes which remained after the budget, before dissolution, he will find that my criticism at that time of the minister of finance, now the Minister of Justice (Mr. Fleming) was that he had been a little too pessimistic in his calculations with respect to the economy during the current year. We thought it would be rather better than the prediction the minister of finance had made.

Mr. Fleming (Eglinton): You cannot support that.

Mr. Pearson: The Prime Minister has talked about greed for office. I would remind the right hon. gentleman that his government, in its determination to go to the polls at a time they thought it would be best for them in order to hold on to office—and I am not complaining about that—called an election a year ago, one year before they needed to do so. They called that election without the budget having been discussed. They called that election knowing a financial crisis was approaching, and the evidence which has been submitted to parliament this session proves this to have been so beyond a shadow of a doubt.

Mr. Diefenbaker: That statement is false.

Mr. Pearson: They called an election in these circumstances hoping they could get through it before the financial crisis occurred in a way which would require devaluation of the dollar during the election period. Unfortunately, the government's calculations were wrong. The financial crisis developed more quickly than they had expected and they had to devalue the dollar under pressure, in crisis conditions, in the middle of an election. In spite of devaluation the financial crisis got worse and worse until we reached the situation which confronted the government the day after the election. What did they do then to get Canada out of that really critical difficulty? They went down to Washington and saw "those people" in Washington and New York. They sent their experts across the border to say: We are in trouble. Will you help us out to the extent of one billion United States dollars?

The Prime Minister had a good deal to say about defence. He was somewhat harsh with me because I had not said anything on defence in my statement yesterday—although I did, I believe, spend some 25 or 30 minutes on the subject of defence, using it as an illustration in support of the amendment we were moving that the government, as a result of its indecisive, weak and contradictory policies is incapable of handling the nation's business. Defence was a good illustration of

that contention. But the Prime Minister wants some more categorical statements from this side as to our defence policy even though he, as the head of a government, refuses to tell us what his defence policy is. There seems to be no way at all by which we can force this government to undertake its primary responsibility of telling this house and the people what exactly its policy is in national defence at the present time. They just will not do it. They are drifting along hoping for the best and hoping they can continue to drift until after the day of the election—and that is not going to be far ahead now.

This afternoon the Prime Minister did not have anybody else to clarify or interpret his remarks, so he attempted to do that himself. He attempted to clarify—I think the word he used was "simplify"—his earlier stand. His earlier stand certainly needs both simplification and clarification. I defy anyone to get either simplification or clarification or, indeed, intelligence from the Prime Minister's statement today as to what the defence policy of this government is. He rambled around a good deal. He attempted to throw some light into dark corners. But he did not succeed in any way, shape or form in reconciling the differences, which are now out in the open, and obvious, between himself and the former minister of national defence. Those differences were made very clear last night by the minister when he appeared before a television press conference. And I may add that the stand taken by the former minister last night can hardly be attributed to the Liberal propaganda machine.

Then, apparently in an attempt to justify his own position in this matter, whatever that may be, the Prime Minister struck a blow for civilian control of defence policy. It should not be necessary to repeat in this house or in any democratic assembly in a sovereign state that civilian control of military and defence policy is essential. It has been so in our country. It will continue to be so, as well as, I hope, in all free countries.

As the Prime Minister said this afternoon—I think I am quoting him correctly—"The business of defence is too serious to be left to the generals". Presumably it requires civilians. But the former minister of national defence had something to say about that, too, last night in his television broadcast. He indicated that the business of defence is also too serious to be left to people who do not know anything about it and who are not experts in it.

Then the Prime Minister, in order to justify this government's policy of drift and delay, which has been going on for so long in defence, this afternoon repeats what he tried to convince us was the situation a week or so ago, namely that there have been two recent developments which require further delay. He referred this afternoon, once again, to the NATO council meeting in Ottawa in May—and we shall be very glad indeed to welcome that NATO council to Ottawa in May—and the Nassau declaration, the declaration by the President of the United States and the Prime Minister of the United Kingdom. Our Prime Minister said once again that this declaration places our role in NATO and in continental and collective defence in some doubt—that it may be changed. It is strange indeed that one of the parties to that declaration, the United States itself, denies that any such result will flow from that declaration. I should not need to say anything more about this, because the minister of national defence took that view last night, and he ought to know. So far as the NATO meeting is concerned, are we now in a position in this country when the re-examination, reconsideration and renegotiation, if you like, of our defence policy is to be made in May of 1963 at a NATO council meeting in Ottawa without this parliament knowing anything at all about the proposals the government is placing before that council?

Of course this is just a smokescreen. We all know that. Some of us know something about how the NATO council operates. This is the spring meeting of the NATO council. It will last for a couple of days at the most. Here in fact this NATO council meeting in Ottawa is going to re-examine and revise Canadian policy. We are in February now, Mr. Speaker. Believe me, the government of this country should have some indication of what that renegotiation and revision is. Of course they have not any indication of it. They have no proposals for that purpose. However, they are using this council meeting as an excuse for further delay. They hope they can get beyond the election period without having to say anything about this matter. They blame it on Nassau. They blame it on NATO.

Mr. Green: Of course that is not true.

Mr. Hellyer: It is true; it is the truth and the whole truth.

Mr. Pearson: There are, of course, some negotiations going on. We do not know about any negotiations going on with NATO. But we do not know about negotiations going on as a result of Nassau with Canada. We know, of course, that the whole question of a NATO nuclear deterrent is under review now. It did not take a Nassau communique to tell us that. In December, 1957, the NATO council committed itself to the use of nuclear tactical

defensive weapons for deterrent and protection purposes. They have discussed how to do that ever since. At Nassau the United Kingdom and the United States leaders brought forward a positive plan by which one aspect of this nuclear deterrent could be transferred from intermediate ballistic missiles to submarines with Polaris missiles. That was the extent of their contribution to this discussion of a NATO nuclear deterrent, and this has nothing whatever to do with any Canadian contribution to NATO. The Prime Minister himself must know that if he knows anything about these matters.

Mr. Green: May I ask the Leader of the Opposition a question?

Mr. Pearson: Yes.

Mr. Green: Does he place no importance at all on this question of a multilateral nuclear force which, as he knows, is practically a brand new subject for discussion in NATO?

Mr. Pearson: Indeed, I place the greatest possible importance on it and I shall be glad to discuss that matter in a moment. However, I also know that this question of a multilateral nuclear deterrent force in NATO, as the minister knows, has been under discussion for quite a long time.

Mr. Green: No; this is a brand new scheme.

Mr. Pearson: As the minister should know, the alteration in some of the earlier plans takes the form of building up a NATO nuclear deterrent on the sea with Polaris missiles in submarines under NATO control.

Mr. Green: Plus tactical weapons.

Mr. Pearson: Yes, plus nuclear tactical weapons. But what has this to do with the Bomarc in Canada, the CF-101 in Canada or the CF-104 in our NATO air division which has the role of strike reconnaissance which will not be effected at all by this change?

Mr. Green: The Leader of the Opposition would not wish to misinform the house. The question of the CF-104 comes primarily under that multilateral nuclear control and is under discussion in the NATO council.

Mr. Pearson: Of course that is so. There is no doubt about that. Every part of the NATO force in Europe is under NATO control in that sense. Every contribution from every NATO member which is part of SACEUR comes under the NATO command. However, the minister knows that no proposal has been made to remove the function of strike reconnaissance from NATO and that no proposal has been made to take that function away from the Canadian air division. That is the point at issue. These changes which are taking place now are not changes which are going to affect the role which the government has accepted for the Canadian forces overseas.

Mr. Green: They may do so.

Mr. Pearson: I think the Secretary of State for External Affairs will agree with me in this regard, if that change were recommended by the NATO authorities, and they may in time be recommended. In view of the fact that it took us four years from the time we agreed to take on this role until the planes were being delivered, does the Secretary of State for External Affairs think these changes could be made overnight? If it takes a long time to make these changes—and I am thinking of a year or two years—is the Secretary of State for External Affairs satisfied to leave this air division in Europe without any effective weapons at all during that time?

The Prime Minister said the other day "We are continuing to negotiate with the United States". This was the first mention of negotiations. This mention of negotiations was criticized, and quite rightly, by the United States secretary of state as making public the fact of such confidential negotiations without letting them know in advance. It is something we had no right to do, any more than they had a right to issue that note of theirs. However, I have not heard any indication of regret on the part of the Prime Minister that he let this information out in his speech, about these negotiations. We were not told in this House of Commons even what department of government was taking part in them. We have not yet been told that.

Mr. Fleming (Eglinton): You were told that yesterday.

Mr. Green: Yes, you were told that yesterday.

Mr. Pearson: Read your *Hansard*.

Mr. McIlraith: You refused to answer.

Mr. Pearson: In these negotiations the Prime Minister said we will continue to hope to make arrangements so that nuclear warheads will be readily available. What a farcical position to take in the light of the experience of last October over Cuba: we will continue to negotiate so that these nuclear warheads will be readily available after the emergency develops. It would be of great comfort to the air defence command of this continent to know this if there should be—and I pray God there never will be—a bomber attack on this continent. These things are no good against missiles; we all agree on that matter. If there should be, supplementary to a missile attack, a bomber attack on this continent it

would be a great comfort to them to know they would have two bases in Canada which would play their part in defence after we get the missiles from the United States when the attack has begun.

Nothing could be more ridiculous than that policy. As long as there was any opportunity of changing that policy before the missiles were in place and before the stations had been acquired, we thought it should be changed. But the missiles are there now. The CF-101's are in the squadrons. The CF-104's are being delivered to the squadrons. If we have got so far, as the former minister of national defence is now pointing out, where these weapons are in place and where our men are expected to use them, we must now take that final step without which the other steps do not mean anything at all. We have just thrown away three quarters of a billion dollars. What we on this side say is this, and—I hope this will answer the Prime Minister, when he says that we have no policy. What we on this side say is this. The time having come for a decision—a decision which could have been avoided perhaps up until a year ago, as the minister of national defence admitted in his statement—we on this side think the government should make the decision; and if they do so, if they take the final step, we will support them in that step. If they refuse to do that, and if they leave our squadrons without the weapons, and if we have the responsibility, we will see that our men are armed with the weapons with which to carry out the role which this government gave them for Canada and which the Prime Minister admits now was given to them for Canada. However, that is not the whole story.

Mr. Fleming (Eglinton): He said so a week ago last Friday.

Mr. Pearson: Yes, he said so a week ago last Friday. Something which makes it all the worse, he said so in February, 1959. He makes that statement, "We will carry out our obligations", but he makes it impossible for the men who are in the field to do that. What we say is this, Mr. Speaker, and I repeat this. We say that we should honour our pledges, keep our promises, and put our forces in a position to do the job we have asked them to do for our country. We are not a country which welshes on its commitments. We are not a country which welshes on the means necessary to carry out our commitments.

It is perfectly true that in the literal sense we have discharged our commitment. We have got an air division in Europe and that is what we promised to do. But we promised more than that. We promised to give this air division the means to discharge a certain role and we have not done that. That goes also for the Bomarc bases and the interceptor squadron. But having done that, and this is where the New Democratic party and, indeed the former minister of national defence misinterpret our policy completely, we reserve the right—this is one of the very first things we would do if we had the responsibility—to re-examine the whole basis of Canadian defence policy.

We said at the beginning that these were not the right things for Canadian forces to be doing, that we thought there was a better contribution that Canada could make inside the alliance, because we believe in the alliance. We differ from the New Democratic party in that respect, because on the evidence of the resolutions at the founding convention of their party they are dedicated to the proposition of getting rid of NATO and getting rid of the Warsaw pact at the same time. We on this side are not dedicated to any proposition of that kind.

They are also dedicated to the proposition that NATO itself should not become a nuclear power. I say, Mr. Speaker, and I think the Secretary of State for External Affairs (Mr. Green) will perhaps agree with me on this, that, even if the nuclear weapons may be under the custody of one country, if control can be shared in some effective way through a NATO coalition, if we can do that, if all NATO members agree on a NATO nuclear deterrent, then Canada should not contract out from contributing to that collective deterrent. If I felt that way I would advocate withdrawal from NATO. That is not extending the nuclear club but limiting the nuclear club. That is taking nuclear weapons out of national control and putting them under collective international control.

I should like to think that that is possible. I do not know whether it will be. It is going to be a very difficult thing indeed to do, but surely that is the line along which we should be moving, toward the isolation of the nuclear deterrent under NATO—we do not want to get this all mixed up with strategic nuclear bombs—as a kind of reserve force under NATO control, whoever may have custody of the weapons, so that if there is an attack of any kind on the NATO front line that attack can be met by conventional forces and held at least for the length of time required for the political decision to be taken on which the whole fate of the world may depend.

That seems to me to be a very intelligible position to take, and this does not mean that we on this side are in favour of nuclear weapons as such.

Some hon. Members: Oh, oh.

Mr. Pearson: Certainly not.

Alleged Lack of Government Leadership

Some hon. Members: Oh, oh.

Mr. Pearson: Hon. gentlemen opposite may laugh. Perhaps they are in favour of nuclear weapons. We are in favour of doing away with nuclear weapons, of doing away with testing, of doing away with all weapons, of doing away with war which is the ultimate immorality. But we are not going to take steps now that will dishonour the pledges we have made until we have a chance to re-examine the basis of defence policy and find a better defence policy for Canada than that which has been in effect in the last five years. That does not mean—of course it does not mean although it is being misinterpreted to mean—that the day after we accepted these weapons we would, if we were in power, repudiate that acceptance and renegotiate ourselves out of that pledge at once. Of course that could not be done. It will take time, it will take effort, and during the time that is required and the effort that is required, because we do these things in co-operation with our friends, we will continue to ensure that the men we have over there will have the weapons to do the job which they are there to do.

There are a great many things that we think can be more effectively done by Canada than some of the things we have been asked to do in the last few years or in the last 10 or 15 years, if you like, because these things go back prior to 1957. But the point is that we have now at this time accepted a certain pledge and we will carry out that pledge until we get a better defence policy for Canada which will make this kind of weapon, I would hope, unnecessary. I am not even going to say now that our renegotiation will be on the basis that we will never be able to use nuclear weapons because by that time we may have a genuine NATO nuclear deterrent under NATO control. So I will not in advance, so far as I have any responsibility and so far as my own views are concerned, contract out of participation in that kind of NATO defence activity.

There is the situation so far as our defence policy is concerned. I am satisfied that we can work this out in collaboration with our friends—our friends in Washington in so far as continental defence is concerned, our friends in NATO in so far as NATO defence is concerned. It does not add anything to the dignity of debate on these matters for the Prime Minister of this country to suggest that any time anybody on this side goes across the border he goes across to get his instructions and come back and make a speech here. That is the kind of cheap insinuation in which the Prime Minister is so expert.

The Prime Minister made great play with the fact that we make our own policies in Canada. Who is doubting that? Who made policy in Canada from 1935 to 1957? If you think that Canada was a satellite of the United States during those years, go down to Washington and ask the people who were in charge then. Go to the United Nations and find out what Canadian policy was at the United Nations and whether we were a satellite of any country.

An hon. Member: Tell us about Suez.

Mr. Diefenbaker: Who made the policy in 1938 when you kept Britain out?

Mr. Pearson: We want to get back to those days when Canada was so respected, because she did make her own policy; when Canada was so respected because she made her own policy in co-operation and friendship with her allies.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, about a month ago, while the members of this house were at home in their riding during the holiday season recess, an American general, General Norstad, visited Ottawa. He made some statements and the Liberal party got so excited that they find themselves in confusion today.

During the last week or so, we heard very long speeches, four in all by the Liberal party leader and several also by the government head, but in all those speeches, no mention was ever made of the programs required to solve this country's problems. Efforts were made particularly to spread confusion and to cast blame on the other party. I suggest that everything the Liberals said about the Conservative party is true and everything the Conservatives said about the Liberal party is also true. Both parties are right when they criticize each other. It is remarkable that when a party is in the opposition, it always seems better than when in power. But when they are in power, both of them, whether it be the Liberal party during 22 years or the Conservative party today, we find that they are irresolute and confused. The opposition party can always pretend it can do everything. Those gentlemen are so efficient when they sit on this side, they make fine speeches and from what they say one would think they can do anything.

If the Canadian people could only attend the debates of the house, they would realize that the old line parties are better in the opposition than in power. They would then

take the two old line parties and place them both in the opposition. Then, with a new party, we should be—

Some hon. Members: Hear, hear.

Mr. Gregoire: That is the comedy which has been repeated for 97 years, with those two old line parties always contradicting themselves, depending on which side of the house they sit.

I hope this situation has enlightened the people of Canada and that they will resolve to cast aside these two old political parties that for years have been encrusted in routine and have done absolutely nothing for the people, except to rant at each other. I hope that before long they will elect a party which will not merely hunger for power but will legislate for the people, so as to enact legislations which will give satisfaction to the people and enable them to live contentedly in Canada.

Mr. Speaker, I must say that I have been amazed at the attitude taken by the leader of the Liberal party in this house in the last week. In four long speeches, each lasting about an hour and a half, he repeated himself, of course, but brought forward no policy. He quoted statistics; so many hours, minutes, and seconds for the speeches of each party. Much good that did us. That is what he does all the time. He contradicted himself. Ever since General Norstad made his statement, the Leader of the Opposition seized upon it to make political capital out of it, and changed his stand and his line of argument as often as he changes shirts.

Mr. Speaker, what is exactly the position of the Liberal party at this moment? That position was stated yesterday by the hon. member for York South (Mr. Lewis), who made a good job of it indeed, but I find the position taken by the leader of the Liberal party so ridiculous that he cannot expect to run the affairs of a country like Canada, and this is something that we should do well to point out today to the people of Canada.

The leader of the Liberal party says: We are against atomic weapons, but we have given our word. Let us honour our commitments, let us accept atomic weapons and, afterwards, we shall do everything we can to get rid of them. That is the situation.

Mr. Legare: He never said that.

Mr. Gregoire: Did you ever hear a more ridiculous argument, coming from a statesman. And that proves one thing. When he was second in command, when he was working behind the scene, in other words, when he was only a civil servant and relied on his superiors for orders, the present leader of the Liberal party could afford to work for peace. But the leadership of his party went to his head and since he cannot do without orders, he sought them from foreigners. Since then he has been putting forward arguments like the ones he is setting forth now.

Mr. Caouette: Silly arguments.

Mr. Gregoire: Yes, Mr. Speaker, the hon. member for Villeneuve (Mr. Caouette) is quite right; those are silly arguments.

While listening to the speech the Leader of the Opposition delivered a few minutes ago, I noticed two striking contradictions.

He called for the arming of our NATO forces with nuclear weapons and, then, a few minutes later, he stated that NATO should not be allowed to become a nuclear power.

Mr. Legare: He did not say that.

Mr. Gregoire: That is what he said this afternoon. If your ears are blocked, wash them.

I should like to refer to certain remarks made by the Leader of the Opposition on January 25, 1963. Page 3125 of *Hansard* bears witness to another contradiction on the part of the hon. member. Here is what he said:

> —as I stated earlier today, I accept the necessity, as does our party, of the nuclear deterrent.

A little further, on the same page and in the same column, he continued as follows:

> I therefore repeat that, while keeping our pledges—

And by that he meant the acquisition of nuclear weapons.

> —we would seek a better and more effective defence role for Canada in the alliance—

Mr. Speaker, if the leader of the Liberal opposition wishes our country to play a better role, why is he satisfied with mediocrity, with playing second fiddle? He has been contradicting himself without end on that point. The statement he made this afternoon was yet another contradiction.

The saddest part of all this is that only a few months ago hon. members, especially those from the province of Quebec, were strongly and uncompromisingly against the acquisition of nuclear armaments for Canada. And now, like sheep and followers, like slaves before their master, they crawl before him. Even if it is not their opinion, they agree. Yes chief, all right chief, we want nuclear weapons now.

Mr. Speaker, as I said already, voters of this country were betrayed in the past by

members of the old line parties because they were crawling on all fours before the contributors to the electoral funds. In fact, instead of following ideas expressed by their constituents, those members were willing to bend backwards in order to please their leader, to remain within their party and to keep the electoral fund well filled. What we see today is another striking example.

Mr. Speaker, when we think of all the travelling done by the Liberal leader to New York or Washington, when we see all the support he can obtain from the Americans, we are wondering whether the electoral fund of the Liberal party will not be replenished by our neighbours to the south, for the next election.

The June 18 election has established one fact. Today, the people understand, the people have seen through the makeup of the two old parties. They have realized that they have been too long betrayed and deceived by the old parties. People know that there is something stronger than electoral funds, something stronger than the financial backers behind the electoral funds. That is the will of the people expressed on voting day which can make or break political parties, financiers and electoral funds. Now gentlemen of the two old parties, you will see in the next election that the people have understood that you were betraying them and selling them down the river to financial interests.

Mr. Speaker, when we are told: "Let us accept nuclear arms, let us arm the Bomarc missiles with nuclear warheads", and at the same time we hear that, "of course, the Bomarc missiles are now obsolete, they are of no use by now, they are just like pea-shooters", we may wonder why there is so much propaganda today in this country for having Canada buy obsolete armament, which is not going to be used anyway.

Those gentlemen on the back benches while blindly following their leader, who is serving other interests, might well wonder, if such attitude is not simply helping those financially interested who, as they always did in the past, want to get rich producing arms, for which we have to pay taxes and levies.

Mr. Speaker, the Liberal party has won a good name in the past. Our Canadian citizens, and more particularly those of the province of Quebec, were hired for our armament plants. In that way, the Liberals created work, paid salaries, and, once their munitions were manufactured, these were thrown into the St. Lawrence river, under the bridge to the island of Orleans, which gave the Liberal party an excellent reputation.

Mr. Caouette: And what about Sorel?

Mr. Gregoire: At Sorel, it was the same thing.

But today, they don't even want our Canadians to work in arms factories. No, they want to get arms from the United States, to enrich American money-men, forgetting, at the same time, that they failed to give jobs to our Canadian citizens. I would rather that those arms were made in Canada to be thrown into the river later. At least, our Canadian citizens would be able to get some work. Today, they would rather go and buy nuclear bombs, which only the Americans are able to manufacture and which are controlled by them, when and if they sell us some. Afterwards, we are told: "We shall never use them."

And, as far as we are concerned, we must pay for them. Should we let them do this without telling the Canadian people that it is their own money, paid in taxes and imposts, which will buy arms that will not only increase the danger of war and tension in the world, but will never be used and will remain under complete American control? Should we accept that? Never.

Mr. Cardin: Would the hon. member allow me to ask him a question?

Mr. Gregoire: Ask any question you want.

Mr. Cardin: Does the hon. member not think that it is up to the Canadian government to take all possible action and to acquire every possible armament to protect Canada against communism?

Mr. Gregoire: Certainly. But the hon. member does not know which arms can really fight communism. In fact, communism has never been successfully fought by warfare. On the contrary, it has developed during wars. And those who are responsible for the resurgence of capitalism throughout the world are politicians like those who are sitting on my right and on the opposite benches, who have never tried to help people find lodging and food, and who have done nothing to alleviate their hardships. It is then that communism is born. Russia is the most striking example I can find of a country where communism crept in under cover of a war. The Polish people did not want communism. It was forced upon them in the course of a war, and the same thing happened in Czechoslovakia and in Hungary. The citizens of those two countries did not want war, but they were compelled with guns—

Mr. Cardin: Could I put a question to the hon. member?

Mr. Gregoire: Yes.

Mr. Cardin: Does the hon. member not admit that, had it not been for NATO, Russia would have invaded the whole of western Europe?

Mr. Caouette: It has in fact invaded it.

Mr. Cardin: Not western Europe, eastern Europe.

Mr. Gregoire: Listen carefully—yesterday, some hon. members opposite said that you do not always ask intelligent questions, and you just did again. Do I believe that had it not been for NATO, and so on—come now. How should I know? NATO was there. Would Russia have invaded Europe had it not been for NATO? I do not know, no more than you do. If you have other questions, go ahead, but no hypothetical questions like that one.

Communism has never developed nor expanded over the world through wars—

Mr. Cardin: NATO was not in existence during the war.

Mr. Gregoire: —but always as a result of hardship. And from the day you get that into your little heads, you will really begin to fight communism.

Go through Canada, through this country of ours, go out in your constituencies and see how many people are unemployed, how many farmers are not even able to live on their land, how many people are living on unemployment insurance benefits, on unemployment assistance or on social assistance. You will find cases of extreme poverty. If you are near the people, you will notice that in the minds of each and every individual who is undergoing hardship in a rich country like Canada, there are germs of revolution against government, against parliament, against our institutions. Why? Because those people see that they cannot prosper in spite of the wealth of their country.

I can remember when, in the 1957 election what a walloping you took, you Liberals, and you are not through getting it on the nose unless you change your attitude. I remember when the Prime Minister and his ministers were making the round of constituencies in a "baby kissing" campaign. Indeed there was no end of pictures showing the Prime Minister kissing a small baby he was holding in his arms, while you yourselves went about the country repeating "Canada is rich, Canada is prosperous."

You were saying about the same thing I have been hearing since yesterday, when the Conservatives claimed they have been doing everything, that everything is going fine, that production is growing, and so on. If that is so, why did they bring in the austerity program? But then you Liberals had done the same thing.

In 1957, all over the country, you were saying: "Everything is fine; we are rich; we are prosperous." Where was this country's prosperity, this country's wealth? The people took it upon themselves to tell you Liberals, that you had wandered away from them, that you no longer understood them, that you were remote from the real problems of the people, and the people took it upon themselves to send back home the group of ministers who were then cabinet members. Just remember that time, gentlemen.

But five years in the opposition have not been enough to open your eyes. Five years in the opposition have not made you any wiser. You have not changed, you Liberals, and your stay in the opposition has not been long enough. But, if it is any comfort to you, we will send a second old party to sit alongside of you next time.

The Liberal party today is thinking only in terms of petty politics. It is not concerned with the administration. What is the Liberal party, exactly? It is the party of taxation. Remember the financial situation of this country when you took office in 1935, and what it had become in 1957 when you went out.

Mr. Caouette: The party of taxation, the party of war.

Mr. Gregoire: The party of taxation, the party of debts that now weigh upon us. The other day, you voted for debt-free money, and you did not even know what it was. In fact, you have never even understood the first thing about it. You will never understand anything, because you grovel before big interests. When man is dazzled by the golden calf, he does not see anything on either side of him: he is blind. That is just about where you stand today. You did not understand anything.

The Liberal party, especially between 1935 and 1957—and the people now know it—has always sold our natural resources and our industries to foreigners.

An hon. Member: It was Duplessis, your leader, who sold them.

Mr. Gregoire: It was Mr. Duplessis, and it was also the doing of you Liberals. So it is that now, each year this country is being bled of our money to the benefit of the United States in order to pay out $770 million in interest or dividends on foreign investments in Canada.

You, Liberals, are responsible for that situation.

You want a general election? Well, you will have one. But you will be judged according to your past. You will be judged by electors who know that you have always been the party subservient to finance, a party which did everything to enrich the rich, and was satisfied with the crumbs.

The leader of your party denounces indecision. But what did he ever decide? He does not make his decisions himself. He changes his mind according to the wish of his adviser, who helps him write his speeches, whether it be Maurice Lamontagne or Maurice Sauve. When the Maurices change, so does his opinion. Most fortunately, one of them has lost some of his influence, because someone saw to it to defeat Lamontagne.

Mr. Speaker, the political situation has been discussed in the last two days. The Conservatives tried to explain the position of the Liberals, and vice versa.

I ask the Canadian people to judge according to what they have obtained from the old line parties. In the next election, how can the people declare themselves satisfied with what they have obtained in the last 96 years? How can they pretend to be satisfied when confusion has been prevailing in the country for the past several years, through the fault of our two old line parties, when labour is set against management, and management against labour, when there is still, after 96 years, a struggle for bilingualism and biculturalism, when there is only wrangling everywhere, when our resources are being developed by foreigners, when our taxes are higher than anywhere else in the world?

With all the information media at their disposal today, how can the people fail to understand that it is time to do something in Canada?

It is time for a change; that has been said before—

Mr. Caouette: We have nothing to lose.

Mr. Gregoire: We have nothing to lose. We must try something new, that is obvious.

Besides, there are several incompetent people we could lose and it would not matter much.

Mr. Speaker, for a few months already, the people who elected our candidates have been saying: We have not lost anything, let us keep them. To those in the other ridings, we say: You have nothing to lose either.

Tonight, we will be called upon to cast our vote. We will vote neither for one old party nor for the other. We are not interested in supporting them. We will not vote against something, but for something. In any case, we will vote according to our conscience.

A while ago, I heard the Prime Minister say: "But after the way the Liberal party has treated you, after the abuse they have thrown at you, surely you are not going to vote with them?"

No, because we believe that voting with them would be prostituting ourselves from a political standpoint.

On the other hand, we have put forth a reasonable and quite sensible motion, and they will be the ones who, for once, will have the opportunity of supporting common sense and logic.

Mr. Speaker, after the events which have taken place these last few days, I cannot help saying that, if the Canadian people had been able to follow, on television—as was once suggested by the hon. member for Shefford (Mr. Rondeau)—what goes on in the House of Commons, they would now be in a position not only to pass judgment but to realize that the two old line parties waste their time playing politics and do not worry enough about the people's interest.

I hope that at the next election the two old line parties will be sent back home in order to make room for those who are more competent than they are.

(Text):

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, this is a momentous debate in what may be the dying hours of this parliament. We have listened this afternoon to statements both by the Prime Minister (Mr. Diefenbaker) and the leader of the official opposition (Mr. Pearson) and I have no intention of getting into this controversy of the pot calling the kettle black. I have always felt that to be led down the garden path by either a Liberal or a Conservative would add nothing to one's pristine purity. In a no confidence motion a party with a small representation in this house naturally faces certain difficulties, because while we may not approve of the government, on the other hand a vote against the government would be interpreted in some quarters as being in support of the official opposition.

An hon. Member: Heaven forbid.

Mr. Douglas: A group like ours has considerable difficulty, of course, in getting its views before the public. If there is one thing the Prime Minister said this afternoon with which I agree, it is the fact that in recent weeks the press, radio and television of this country have certainly been playing a song closely akin to the desires and wishes of the Liberal party in Canada.

Some hon. Members: Hear, hear.

Mr. Douglas: The points of view expressed by other groups have, in many cases, been very successfully silenced. We in this group ever since June 18 last have refused to take a destructive attitude with reference to public affairs. Even before this parliament was convened the Leader of the Opposition was calling upon all groups to pledge themselves to voting no confidence in the government.

Some hon. Members: Shame.

Mr. Douglas: Even before parliament met—

Mr. McCleave: Irresponsible.

Mr. Douglas: —every newspaper, every radio and television station was telephoning members elect and asking them what they were going to do about turning the government out. The members of this group made it abundantly clear before parliament met and after it assembled that we were not here just to turn the government out; that we were here to support any legislation which in our opinion would grapple successfully with the national and international problems confronting Canada. We recognized then, as we do now, that Canada faces a serious situation. As to the international monetary exchange crisis of last June, let me say that in spite of the Prime Minister's optimistic statement this afternoon I am not convinced it has entirely disappeared. There is the subject of economic growth and unemployment. There are the difficulties facing agriculture; the fact that we lag far behind other western countries in health and welfare programs. There is the need for new trade policies in the light of changing trade patterns throughout the world. We said that all these things demanded aggressive action and dynamic leadership. We said we were prepared to support the government if they produced this leadership and that we would vote against them if they failed to do so. Our votes have not been motivated either by a desire to get the government out or, God forbid, by a desire to get the Liberals in.

But I submit, Mr. Speaker, that having sat since September 27, because of the indecisiveness of the government and also, I think, as a result of a good deal of obstruction by the official opposition, this parliament has been reduced to a state of such impotence that the only answer now is to give the people of Canada an opportunity to go to the polls.

Let me just mention a few things we had hoped might be done during this session. We had hoped the government would grapple with the need to plan this nation's economy. I do not need to elaborate on that subject because, fortunately, in the last 12 months everyone has apparently become converted to the idea of economic planning. But all we have had to date from the government is the prospect of four boards composed mainly of part time members meeting periodically in Ottawa; four boards reporting to four separate ministers without machinery for coordinating their efforts or their plans. In many cases their terms of reference overlap and, above all, no provision has been made for a national economic development fund without which these four boards are simply groups of men holding little meetings in a corner.

We are still faced with serious unemployment. The Prime Minister talked this afternoon about the growth in the gross national product, but the fact remains that this growth has not been accompanied by a corresponding increase in employment. Unemployment continues to be a source of serious anxiety. The speech from the throne talks about providing one million jobs over five years. I have not seen anything in legislation which indicates how these million jobs are to be created, and if we do create them this would only take care of the young people leaving our universities, schools and technical colleges to enter the labour market during that five year period. We would still have to make provision for the half million or so who are presently unemployed in addition to those who may be displaced as a result of modern technology and automation.

The matter of trade is to the fore. I am convinced that Britain's application to join the European common market having been rejected, this country will find itself facing circumstances whose difficulty we have not yet begun fully to appreciate. I would have expected that during the past four or five months the government would have put forward some ideas about the future development of our trading program in the light of such events as the emergence of the European common market and the United States trade expansion legislation in order that Canada, one of the great exporting nations, might have some part in this trade revival and this changing trade pattern all over the world. But we have had no statement other than that there is to be a ministerial meeting of GATT.

The subject of medicare is to the fore in every province in Canada. The government announced the appointment of a royal commission in December, 1960, and we are told the commission is to report some time in June or July of this year. That is a long period of inaction. As a matter of fact, since the provision of health services lies within

provincial jurisdiction the federal government already had all the information it needed in order to bring forward the kind of enabling legislation which would permit parliament to pay sums of money to any province which wanted to set up a medical care insurance plan, and leave it to the individual province concerned to determine the conditions and the type of plan it was ready to offer. I submit that the appointment of the commission has been merely a stall to avoid the necessity of facing this issue.

Action is needed with regard to agriculture. We were told this afternoon that the eastern farmers are to have feed grain. We were told there is to be a two-price system for wheat. These proposals are certainly not before us at the present time and nothing has been suggested as a remedy for one of the main complaints of farmers of every kind in this country, namely that all across Canada they find costs increasing while, on the average, the prices they receive are going down.

I see Your Honour getting a little restless and I would therefore suggest we call it six o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Douglas: Mr. Speaker, when we adjourned for the dinner recess I was in the process of giving some of the reasons why we in the New Democratic party feel that the government and the official opposition have failed to give the kind of decisive leadership that will enable this country to cope with the major problems confronting Canada. I was just going to discuss the question of the acquisition of nuclear arms and the government's failure to give us any clear and decisive statement on this matter.

The government's constant delay in making a final decision ought not to obscure the fact that they have been moving steadily, step by step, toward the acquisition of nuclear arms. We have the Prime Minister's statement this afternoon that negotiations would continue with the United States so that nuclear arms would be available for the Bomarcs and the Voodoos. They may not physically be accepted into Canada until they are needed, but they will be available. From the statements which have been made in the last week or ten days there is no doubt that nuclear arms will be acquired by our NATO forces.

Mention has been made of the ministerial meeting of NATO in May. However, I would remind the house of the statement of the former minister of national defence, one which has never been repudiated by the Prime Minister, to the effect that at the May ministerial meeting of NATO, should NATO reaffirm a nuclear role for Canada, then Canada will equip her NATO forces to discharge her obligations.

Reference has been made to the Nassau agreement. It seems to me that this is sheer window dressing. There is no likelihood of France's agreeing to making NATO a multilateral nuclear power. I would further add that making NATO a multilateral nuclear power is certainly one of the most serious ways of increasing the membership of the nuclear club.

I say that the government has not given us a clear statement. If the Prime Minister or any member of the government had come into this house this afternoon and told us that the government was prepared to negotiate Canada out of that nuclear role in NORAD and in NATO I think we would have been able to take a different position with reference to this whole question of confidence in the government. However, they have not done so. We feel that the only difference between the Conservative government and the Liberal opposition is that the Liberal opposition are prepared to accept nuclear weapons now, whereas the government is delaying the final acceptance of them but is undoubtedly committed in that direction. As was said by the former minister of national defence, it probably means a delay of only some four months.

In supporting a motion of no confidence in the government we in this party wish to make one thing perfectly clear. This does not involve a vote of confidence in the official opposition. They speak of decisiveness. One has only to look at the amendment which they moved. They have refused to take a definite stand of any sort on any question of policy. They have refused to put forth any constructive proposal. Instead, they have contented themselves with negative criticism. The fact is, of course, that the Liberal party have never taken a stand. They always believe that a moving object is harder to hit. They are in favour of medicare in Ontario; and in Saskatchewan, where the government are trying to put medicare into operation, they fought it tooth and nail almost to the point of civil insurrection. In the province of Ontario they are in favour of progressive labour legislation and in Newfoundland, under a Liberal government, they have the most repressive labour legislation that has been passed in this country in half a century. The same thing is true of their stand in reference to nuclear arms.

An hon. Member: But you are going to vote with them.

Mr. Howard: We are voting against you.

Mr. Douglas: The hon. member for Trinity (Mr. Hellyer) this afternoon said they had a leader who is not afraid to take a stand. The obvious answer, Mr. Speaker, is "for how long?"

A bulletin put out by the Canadian committee for nuclear disarmament quotes a statement by the Leader of the Opposition in January of 1961, when speaking to the Liberal men's club of Vancouver, as follows:

> Canada must remain a non-nuclear power. By doing so, Canada can lead the middle powers in the struggle to abolish nuclear weapons and eventually all armaments. I don't believe we need the Bomarc, which is not an effective defence in any sense, and will probably be scrapped by the U.S. one of these days.

There is no suggestion in this statement that we have commitments which we must honour. There is no statement there that, since the government has committed us to nuclear weapons, we must accept them. When the Leader of the Opposition made that statement and other statements we were just as much committed as we are at the present time.

The Leader of the Opposition this afternoon tried to drag a red herring across the trail. He said that we do not want to leave our forces without effective weapons. But, Mr. Speaker, anyone who listened to "Viewpoint" last night and the talk by Paul Simon of Toronto knows that he quoted from the military journals of the United States and the textbooks of the Pentagon to show that in the case of the Bomarc, the Voodoo plane, the Honest John rocket and the F-104 all of them can use conventional weapons, as well as nuclear weapons, with deadly effect, and that it is simply beside the point to argue that we are leaving our forces without effective weapons. This is merely swallowing the propaganda of the military-industrial complex which has terrific propaganda power on this continent.

Since under the rules of the house we must take a vote in a few minutes, I want to say that as far as this party is concerned we feel that the time has come when the people of Canada should have the chance to elect a new government and a new parliament. We in this party hope to give them the chance to elect a government that will so plan the economy of this nation that the major economic decisions affecting the people of Canada will be made by the people of Canada themselves, to so plan the economy of this country that we will have economic growth and that the increased production will be used to raise the living standards of the people of this country, to elect a government that will bring this country into line with the high standards of welfare, health and federal assistance to education which have already been undertaken by some of the other countries in the western world. Above all, Mr. Speaker, we need a government which is prepared to pledge itself to a non-nuclear role for Canada so that this country can make its contribution to world peace by strengthening the United Nations, by giving of our personnel and our resources to raise living standards throughout the world. Mr. Speaker, we suggest that the hour of decision has come. Let the people decide.

Mr. Speaker: Order. It being 8.15 o'clock in the evening it is my duty, pursuant to section 4 (d) of standing order 56, to interrupt these proceedings and put forthwith the question on any amendment before the house.

The house divided on the amendment to the amendment (Mr. Thompson) which was agreed to on the following division:

YEAS

Messrs:

Addison	Fisher
Argue	Forgie
Asselin	Foy
Badanai	Frenette
Barnett	Gagnon
Batten	Garland
Beaulé	Gauthier
Béchard	Godin
Beer	Gordon
Bélanger	Granger
Benidickson	Gray
Benson	Grégoire
Berger	Habel
Bernier	Haidasz
Boucher	Hardie, Mrs.
Boulanger	Harley
Bourque	Hellyer
Boutin	Honey
Brewin	Howard
Brown	Kelly
Burgess	Knowles
Byrne	Lachance
Cadieux (Terrebonne)	Laing
Cameron (High Park)	LaMarsh, Miss
Cantin	Lamoureux
Caouette	Lamy
Cardin	Laniel
Caron	Laprise
Carter	Latulippe
Chapdelaine	Leboe
Chevrier	Leduc
Clermont	Legaré
Clunis	Lessard (Lake St. John)
Cook	Lessard (St. Henry)
Côté	Lewis
Cowan	Loiselle
Crestohl	Macdonald (Rosedale)
Crossman	MacEachen
Davis	MacInnis
Denis	Mackasey
Deschatelets	Macnaughton
Dionne	McIlraith
Douglas	McMillan
Drouin	McNulty
Drury	McWilliam
Dubé	Maltais
Dumont	Marcoux
Dupuis	Martin (Essex East)
Éthier	Martin (Timmins)
Eudes	Mather

Division

Matheson
Matte
Meunier
Mitchell
Munro
Nicholson
Nixon
Olson
Orlikow
Otto
Ouellet
Pearson
Pennell
Perron
Peters
Pickersgill
Pilon
Plourde
Prittie
Richard
Rideout
Rinfret
Robichaud
Rochon
Rock
Rondeau
Rouleau
Roxburgh
Roy
Ryan
Sauvé
Scott
Stewart
Tardif
Teillet
Thompson
Tucker
Turner
Wahn
Walker
Webster
Whelan—142.

NAYS

Messrs:

Aiken
Alkenbrack
Balcer
Baldwin
Baskin
Bell (Carleton)
Bell (Saint John-Albert)
Belzile
Bigg
Bourbonnais
Bradley
Cadieu (Meadow Lake)
Cameron (Nanaimo-Cowichan-The Islands)
Cardiff
Casselman, Mrs.
Chaplin
Chatterton
Chown
Churchill
Clancy
Coates
Cooper
Crouse
Diefenbaker
Dinsdale
Doucett
English
Enns
Fairclough, Mrs.
Fairweather
Fane
Fleming (Eglinton)
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Fulton
Grafftey
Green
Grills
Gundlock
Hales
Halpenny
Hamilton
Hees
Herridge
Hodgson
Horner (Acadia)
Horner (Jasper-Edson)
Horner (The Battlefords)
Howe
Jones
Jorgenson
Kennedy
Kindt
Korchinski
Legere
Létourneau
Macdonald, Mrs.
MacEwan
MacLean (Queens)
Macquarrie
MacRae
McBain
McCleave
McDonald (Hamilton South)
McGee
McGrath
McIntosh
McPhillips
Mandziuk
Martineau
Millar
Monteith
Moore
More
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nasserden
Nesbitt
Nielsen
Noble
Nowlan
Nugent
O'Hurley
Ormiston
Pascoe
Paul
Pigeon
Pugh
Rapp
Ricard
Robinson
Rynard
Sams
Sévigny
Simpson
Skoreyko
Slogan
Smallwood
Smith (Simcoe North)
Southam
Starr
Stefanson
Stenson
Thomas
Valade
Vincent
Webb
Weichel
Winkler
Woolliams—111.

[Mr. Speaker.]

Mr. Speaker: I declare the amendment to the amendment carried. The question is now on the amendment as amended. All those in favour of the amendment as amended will please say aye.

Some hon. Members: Aye.

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

Some hon. Members: Nay.

Mr. Speaker: I declare the nays have it.

And more than five members having risen:

Mr. Speaker: Call in the members. Is it agreed that the members are in?

Some hon. Members: Agreed.

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

Some hon. Members: Question.

Mr. Speaker: The question is on the amendment as amended, which reads as follows:

This government has failed up to this time to give a clear statement of policy respecting Canada's national defence, and has failed to organize the business of the house so that the 1963-1964 estimates and budget could be introduced, and has failed to outline a positive program of follow-up action respecting many things for which this parliament and previous parliaments have already given authority, and does not have the confidence of the Canadian people.

All those in favour of the amendment as amended will please rise.

During the taking of the vote:

Mr. Speaker: Order. It is of some help to hear the Second Clerk Assistant and also the Clerk of the House, so if hon. members will maintain the proprieties of this house during the roll call vote we will proceed.

YEAS

Messrs:

Addison
Argue
Asselin
Badanai
Barnett
Batten
Beaulé
Béchard
Beer
Bélanger
Benidickson
Benson
Berger
Bernier
Boucher
Boulanger
Bourque
Boutin
Brewin
Brown
Burgess
Byrne
Cadieux (Terrebonne)
Cameron (High Park)
Cantin
Caouette
Cardin
Caron
Carter
Chapdelaine
Chevrier
Clermont
Clunis
Cook
Côté
Cowan
Crestohl
Crossman

Division

Davis	Macnaughton	Diefenbaker	McGrath
Denis	McIlraith	Dinsdale	McIntosh
Deschatelets	McMillan	Doucett	McPhillips
Dionne	McNulty	English	Mandziuk
Douglas	McWilliam	Enns	Martineau
Drouin	Maltais	Fairclough, Mrs.	Millar
Drury	Marcoux	Fairweather	Monteith
Dubé	Martin (Essex East)	Fane	Moore
Dumont	Martin (Timmins)	Fleming (Eglinton)	More
Dupuis	Mather	Fleming (Okanagan-Revelstoke)	Muir (Cape Breton North and Victoria)
Éthier	Matheson	Flemming (Victoria-Carleton)	Muir (Lisgar)
Eudes	Matte	Forbes	Nasserden
Fisher	Meunier	Fulton	Nesbitt
Forgie	Mitchell	Grafftey	Nielsen
Foy	Munro	Green	Noble
Frenette	Nicholson	Grills	Nowlan
Gagnon	Nixon	Gundlock	Nugent
Garland	Olson	Hales	O'Hurley
Gauthier	Orlikow	Halpenny	Ormiston
Godin	Otto	Hamilton	Pascoe
Gordon	Ouellet	Hees	Paul
Granger	Pearson	Herridge	Pigeon
Gray	Pennell	Hodgson	Pugh
Grégoire	Perron	Horner (Acadia)	Rapp
Habel	Peters	Horner (Jasper-Edson)	Ricard
Haidasz	Pickersgill	Horner (The Battlefords)	Robinson
Hardie, Mrs.	Pilon	Howe	Rynard
Harley	Plourde	Jones	Sams
Hellyer	Prittie	Jorgenson	Sévigny
Honey	Richard	Kennedy	Simpson
Howard	Rideout	Kindt	Skoreyko
Kelly	Rinfret	Korchinski	Slogan
Knowles	Robichaud	Legere	Smallwood
Lachance	Rochon	Létourneau	Smith (Simcoe North)
Laing	Rock	Macdonald, Mrs.	Southam
LaMarsh, Miss	Rondeau	MacEwan	Starr
Lamoureux	Rouleau	MacLean (Queens)	Stefanson
Lamy	Roxburgh	Macquarrie	Stenson
Laniel	Roy	MacRae	Thomas
Laprise	Ryan	McBain	Valade
Latulippe	Sauvé	McCleave	Vincent
Leboe	Scott	McDonald (Hamilton South)	Webb
Leduc	Stewart	McGee	Weichel
Legaré	Tardif		Winkler
Lessard (Lake St. John)	Teillet		Woolliams—111.
Lessard (St. Henry)	Thompson		
Lewis	Tucker		
Loiselle	Turner		
Macdonald (Rosedale)	Wahn		
MacEachen	Walker		
MacInnis	Webster		
Mackasey	Whelan—142.		

NAYS

Messrs:

Aiken	Cameron (Nanaimo-Cowichan-The Islands)
Alkenbrack	Cardiff
Balcer	Casselman, Mrs.
Baldwin	Chaplin
Baskin	Chatterton
Bell (Carleton)	Chown
Bell (Saint John-Albert)	Churchill
Belzile	Clancy
Bigg	Coates
Bourbonnais	Cooper
Bradley	Crouse
Cadieu (Meadow Lake)	

Mr. Speaker: I declare the amendment as amended carried.

Mr. Diefenbaker: Mr. Speaker, I shall advise His Excellency the Governor General tomorrow.

I move, seconded by the hon. member for Winnipeg South Centre (Mr. Churchill), the adjournment of the house.

Motion agreed to and the house adjourned at 9.05 p.m.

The twenty fifth parliament was dissolved on Wednesday, February 6, 1963, by proclamation of His Excellency the Governor General.